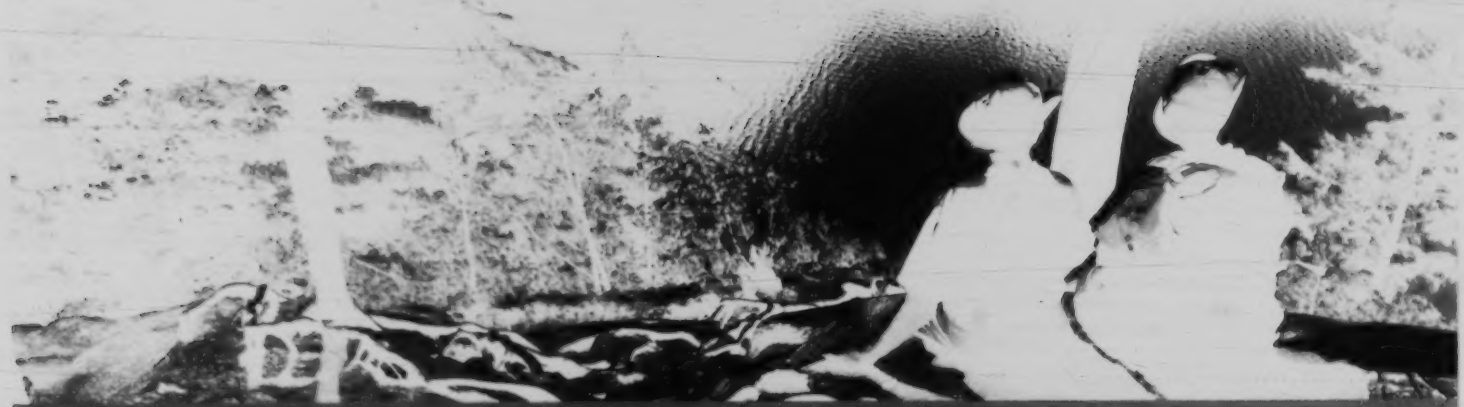
DISCOVERING ONTARIO



A REPORT ON THE FUTURE OF TOURISM

DISCOVERING ONTARIO

A REPORT ON THE FUTURE OF TOURISM

Prepared by
The Ontario Tourism Competitiveness Study

Greg Sorbara, Chair

February 2009

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ISBN 978-1-4249-8884-6

Acknowledgments

Thank you to the staff who supported the work of the Tourism Competitiveness Study.

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Peter Spencer

I would like to acknowledge the contributions of all of the Ontario Public Service staff who contributed to this Report.

Greg Sorbara, Chair

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Toronto Pearson International Airport

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Toronto Pearson International Airport

Introduction

GREG SORBARA, CHAIR
ONTARIO TOURISM COMPETITIVENESS STUDY

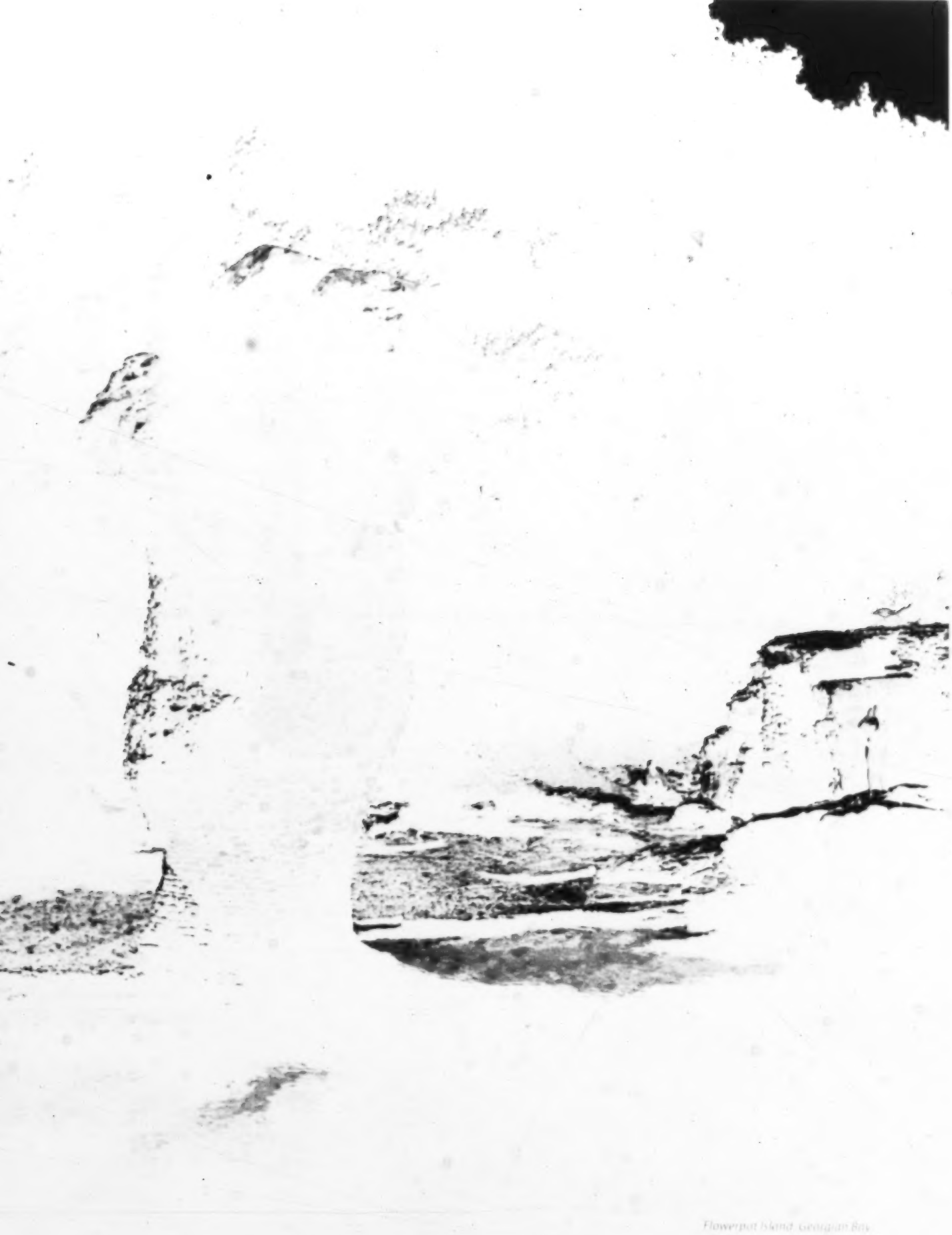
Since the early days of Confederation, tourism has been an important part of Ontario's economic makeup. No wonder. Our province is a magnificent place.

We are rich in the history of Aboriginal peoples and the cultural mosaic built by centuries of immigrants from the world's four corners. We are also rich in the kinds of resources that inspire visitors. Not the least of these is water.

Water defines us, surrounding us on every border from the mighty St. Lawrence River to the vast Great Lakes to the rivers of Ottawa, Niagara, St. Clair and Detroit, to the endless salt waters of Hudson Bay and James Bay. Within our borders, some 250,000 lakes and 100,000 kilometres of rivers wend through the land. Water is at the very heart of Ontario's tourism industry: from Niagara Falls, to the Muskoka lakes, to the Rideau Canal waterway to the shores of Superior, to the remote and pristine waters of lakes and rivers across the north.

For tourists, Ontario is a land of regions as diverse and engaging as the continent has to offer. Every part of the province has an alluring destination to explore. Toronto, the continent's most cosmopolitan city, has become a destination for people from around the world. Ottawa is one of the world's most welcoming national capitals, combining the intimacy of a village with the grandeur of a vast nation. Hamilton is a hub of industry cheek-to-jowl with nature. Stratford is where art and agriculture meet. The roar of Niagara Falls echoes in every corner of the globe. Thunder Bay is the gateway to wilderness country. Across vast stretches, we grow the world's best products and our kitchens concoct tastes that have few parallels.

From Windsor to Waterloo to Wawa, from Kingston to Kenora to Kapuskasing, Ontario is a land of festivals, of performance and of sport, where people gather to celebrate, contemplate and compete. It is a wondrous place.



Flowerpot Island, Georgian Bay

Soccer Event

The Competitiveness Study

In the quarter century following the Second World War, Canada commanded a huge portion of global tourism and Ontario captured the lion's share of that market. But since then, the tourism industry has become increasingly competitive. Hundreds of destinations now compete in a market that will, by all accounts, continue to grow dramatically over the next two decades.

To take advantage of that growth, Ontario needs to be a more committed and aggressive participant in the global market. That is why the provincial government commissioned this Study. Its mandate was straightforward: to develop a plan — including specific steps for the public and private sectors — to support the growth and long-term viability of tourism in Ontario. The Study's ambition is to demonstrably strengthen Ontario's tourism sector over the next decade and beyond.

The Study consisted of two components:

- a wide variety of research studies covering everything from market assessment and infrastructure to industry structure and way-finding
- a broad-based consultation process that included countless informal meetings, almost 200 written submissions as well as 13 public consultations involving more than 500 stakeholders.

The research compiled for this report was substantial and significant, and I encourage you to have a look at it. We've summarized some of the work in Appendix III, but all of the studies are available online at www.tourismstudy.ca.

This report is the product of a dedicated Study team, led by former Deputy Minister of Tourism Phil Howell and later by Acting Deputy Minister Michael Kurts and current Deputy Minister Drew Fagan. I am profoundly grateful to that team and to all of those who participated in the Study and this report. In particular, I would like to thank those within the industry who gave so freely of their time and energy to assist me in my own understanding of the industry and the issues. I want especially to thank those who came out to our consultations across the province and gave us valuable advice. Several of the presenters came with bold ideas for new events and attractions in Ontario. Just a few of these are listed in Appendix I.

Fishing, Georgian Bay

Significant Economic Contribution

For far too long, tourism has been viewed as a sidebar in the overall makeup of the provincial economy. As a result, the industry has received less profile than is warranted and less public support than is its due. That needs to change. The economic contribution of this sector, through tourism receipts of $22 billion annually, is significant.[1] It ranks seventh among Ontario's export industries.[2] The contribution from a stronger, more dynamic sector could make tourism a fundamental building block of the next Ontario economy.

Ontarians need to understand the significant benefits of a stronger tourism industry. On average, an overseas visitor to Ontario spends over $1,200 while in the province.[3] That spending impacts positively on the entire economy.

Tourism generates significant employment, especially for new entrants to our workforce. Nearly 200,000 people are directly employed in this industry.[4] It is the number one employer of young people in the province. The tourism industry is primarily composed of thousands of small and medium-sized enterprises that are the foundation of our provincial economy. And most importantly, when we invest in and develop destinations and experiences that attract the interest of tourists, those same attractions and experiences enhance the quality of life for 13 million Ontarians.

In British Columbia, the 2007 Tourism Action Plan mandated a doubling of tourism by 2015 (British Columbia will enjoy the tourism boost of the Winter Olympics in 2010). There is no reason why Ontario, with a much larger industry, should set its sights on any less ambitious a mission. But a stronger industry will only come about with strategies to inspire a new generation of private and public sector investment in infrastructure, destinations and public spaces.

This report is decidedly ambitious for a stronger tourism industry for Ontario. We have set out one overarching goal: Ontario will become one of the world's preferred places to visit. Ontario has the potential and all the necessary elements to be a leading tourism destination. To get there, Ontario will aim to double tourism receipts by 2020.

To accomplish this, Ontario must:

1. Change how government and industry work together to develop tourism and foster economic growth.

2. Set new standards for success to become more internationally competitive.

3. Maximize the impact of private and public tourism investments on new and revitalized product across Ontario.

4. Reach out to consumers before they get here and once they arrive so that we can welcome more tourists to Ontario destinations and experiences.

These four strategies are supported by 20 recommendations. The recommendations themselves include a context or rationale, specific next steps for government and industry, and anticipated results.

Tourism Regions

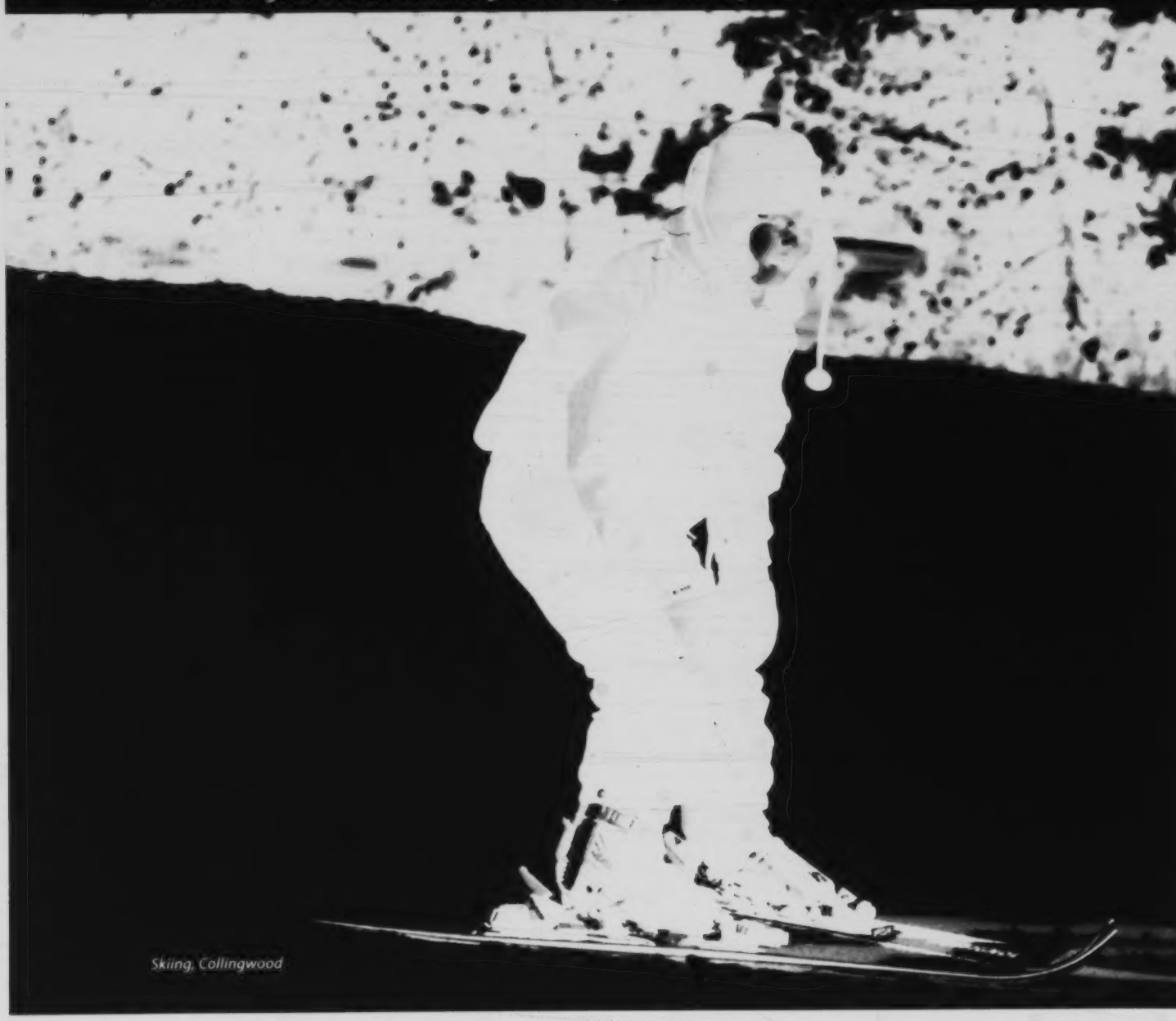
The report makes a strong case for the creation of well-defined and well-managed tourism regions across the province. We suggest 11 regions, but look forward to finalizing boundaries and numbers in concert with the industry. Our research and consultations suggest that tourism regions and strengthened Destination Marketing and Management Organizations (DMMOs) within each region would be the best way to realize the potential of tourism throughout the province. The regional model would bring together stakeholders within a region to oversee the development of new products, and to identify and define unique experiences offered by the region. In partnership with the province, the DMMOs would market the region to potential visitors from across Ontario, Canada and the world. They would also provide a far better model for the industry to engage the provincial government on the financial, regulatory, product development and marketing issues critical to the growth of the industry.

Six Nations Pow Wow, Manitoulin Island

Destination Marketing Fees

The report also proposes that legislation be introduced to bring statutory recognition and standardization to the wide variety of Destination Marketing Fees (DMFs) now voluntarily levied on accommodations across much of the province. A majority of the hotel rooms in Ontario already have a DMF applied – as do virtually all of our competing jurisdictions. The DMF has had a very positive impact on the industry in areas where it is used. In Ottawa we heard that, since 2004, when the DMF was introduced, hotel occupancy rates have risen with each year as a result of significantly increased marketing.

We propose that, in each new tourism region that adopts a DMF, all tourism accommodations be required to levy the fee. The DMF proceeds would become an annual source of support for regional Destination Marketing and Management Organizations. Dollars would flow directly to the industry, not to any level of government. Such models are now common across the continent. We estimate that, when fully implemented, this initiative could result in almost $100 million in much-needed annual marketing support for tourism regions. Sustainable funding for marketing will have a significant impact on tourism.



Skiing, Collingwood

Encouraging Markets

A considerable part of our work focused on existing and best-prospect markets. Strengthening tourism is really about identifying and developing new markets while maintaining the capacity of existing ones. It is clear, however, that there is no single Ontario tourism market. Rather, the province is composed of several regional markets, each with its own strengths and challenges. The Lake of the Woods region, for example, relies heavily on Canada's western provinces and the American Midwest; the Niagara Region relies on the U.S. Great Lakes states; the St. Lawrence Region is seeing a demonstrable increase in visitors from Quebec; Algonquin Park has been a destination for German visitors for years; and the new destination resorts in Muskoka will draw tourists from across the continent and beyond.

Our report includes recommendations for enhancing the ability of the province and its tourism regions to conduct better research and respond more quickly to the ever-changing trends in the global tourism market. Even so, it is clear today that the best-prospect markets, such as Mexico, Brazil, China and India, as well as large U.S cities beyond the border states, will play a larger role in Ontario's tourism industry of tomorrow. To help encourage that growth, we'll need more open skies agreements to be signed by the federal government.

Better Product

At the heart of any analysis of tourism is the issue of product: the physical, natural and cultural resources and built facilities that service and inspire visitors. Over the past decade, Ontario has made significant investments in publicly owned or supported destinations: a transformed Art Gallery of Ontario, a bold new Royal Ontario Museum, a new casino in Windsor, upcoming new convention centres in Ottawa and Niagara Falls, a dramatic new Royal Conservatory of Music, a world-renowned Opera House (Four Seasons Centre for the Performing Arts), and the upgrading of Science North in Sudbury. But, in comparison to the level of investment by competing jurisdictions around the world, Ontario is falling behind. The Study makes the case for facilitating unprecedented new private-sector investment in destinations and attractions along with public sector investments in existing properties, which could include Upper Canada Village and new destinations such as a Discovery Centre in northwestern Ontario. At the same time, we appreciate that some investments may not begin in earnest until the province is able to overcome the impact of current global economic challenges.

Our report includes a specific recommendation concerning Ontario Place. We believe that the revitalization of Ontario Place should be done in conjunction with the redevelopment of the surrounding area. The entire area should become the province's showpiece for the celebration of the 150th anniversary of Confederation in 2017. In the meantime, the parkland of Ontario Place should become immediately accessible to the public without charge.

One of the most significant impediments to product renewal for small and medium-sized businesses is the availability of financing for capital improvements and expansion. Our consultations confirm this to be a critical issue across the province. Our report recommends the creation of a virtual tourism development bank with a mandate to provide financing on a commercially viable basis to a wide variety of tourist businesses.

Strategic Marketing

Marketing is the oxygen that maintains the tourism sector in a fiercely competitive environment. It is the essential ingredient for tourism in every significant jurisdiction. Our research examined marketing trends around the world and compared Ontario's marketing approach and expenditures with those of our major competitors. Our findings are clear: Ontario needs more oxygen. We need to invest more in marketing and re-examine our marketing strategies so that they become more focused and effective. We also need to make better use of emerging trends including new media. Internet portals need to effortlessly lead the inquisitive consumer from the idea of coming to Ontario, to identifying specific destinations, specific experiences, specific accommodations and with a specific timetable.

We heard repeatedly from presenters that we should focus more resources on marketing specific destinations and experiences within Ontario and reduce the emphasis on overall brand marketing. Our report contains a number of recommendations on the redesign of tourism marketing, including a stronger marketing effort in mature markets and a greater effort on developing and identifying new markets. More resources are also warranted for marketing various subsets of the industry including cultural tourism, eco-tourism, sports tourism, Aboriginal tourism, culinary tourism, agricultural tourism, cycling and the province's amazing calendar of festivals and events.

Critical Tools

One of the keys to a stronger tourism industry is a greater, more active commitment from the provincial ministries that impact on the sector. We heard repeatedly about the importance of new investment in provincially owned infrastructure and the need to continually re-evaluate the provincial and federal regulations governing the industry.

What could we achieve with investment in infrastructure? We could become known as the home of the world's best trails system. What if cruise ships plied the Great Lakes, stopping at new port facilities from Kingston to Sault Ste. Marie? What if, every summer, thousands cycled along Lake Ontario from Niagara to Napanee? And what if they returned on a high-speed train?

We also heard of the need to coordinate and re-evaluate the ever-increasing number of provincial and federal regulations that govern the industry. While new infrastructure certainly promotes growth, an overburden of regulation will undoubtedly impede it.

We recommend that the dozen ministries of government with an impact on tourism should come together to create a whole-of-government approach to tourism. Included in this should be a concerted effort to reduce the burden of regulation that extracts a high cost, especially for Ontario's small and medium-sized businesses. To better articulate its needs to government, the industry should identify one association that will represent its key concerns.

One area that also needs the attention of government is the issue of way-finding — the signage and information systems that make destinations more welcoming and make travelers feel safer and more confident on their journey. Our research on signage confirmed what we regularly experience: that when it comes to way-finding, we have a long way to go. Making it easy for visitors to travel from place to place is a critical indicator of how seriously a jurisdiction takes its tourism industry. Our report makes specific recommendations on way-finding, including the roles of municipalities and the private sector in improving way-finding across the province.

Renowned Workforce

Our tourism workforce is the first face of Ontario that visitors see. While there are many talented people in the sector, we have yet to build a culture of international service that makes visitors want to return again and again.

The solution is neither simple nor immediate, but Ontario could become an international leader in tourism education. The standard of education in Ontario, thanks in part to the government's profound commitment to lifelong education, is much higher than that of some of Ontario's chief competitive destinations. Ontario has six universities and 24 colleges with programs in either hospitality, tourism or culinary arts, as well as a number of apprenticeship programs. They should work together so that they have the potential to create a standard of excellence for industry employees.

The global economy is becoming an increasingly knowledge-based economy. For the tourism industry in Ontario to be truly internationally competitive, it must embrace technology. It should make maximum use of the newest marketing tools to provide leading high-quality customer service and to manage business.

Many participants in the consultations told us that Ontario faces considerable labour shortages in the tourism industry. At the same time, due to the global economic challenges, employment in other sectors is shrinking. There is potential for job creation in this industry — and there is potential for more jobs to become year-round. When more of us come to understand how vital this industry is to our economy and to the very identity of our province, I am convinced more people will be drawn to tourism careers.

Pride of Place

Finally, beyond the government and industry interventions that will help tourism grow, this report is a clarion call to all Ontarians: tourism is important to us. It's important to our economic future and it's important to our quality of life.

We need to develop stronger pride in what we have to offer the visitor and a greater dedication to ensuring that the visitor experience is remarkable. We need to be better ambassadors and more thoughtful hosts.

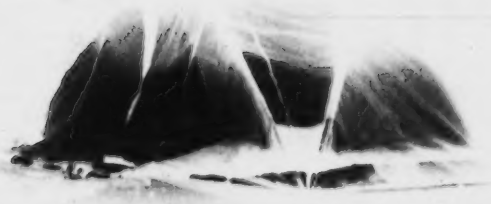
We must remind ourselves frequently that this is a truly wonderful place. We have natural and enduring attractions. People come here to hike and paddle, hunt and fish in unparalleled wilderness. They come for Shaw and for Shakespeare or for the drama of the Bruce Trail. They come to dance to the music of Caribana in the streets of Toronto. They come to trace the story of the Underground Railroad. They come for symposia on the planet's most perplexing problems. They come to debut the world's best new films. They come to the Thousand Islands and to cottages and inns to contemplate destiny at the edge of a dock. They come to ski in Collingwood or to sail on Superior or Simcoe.

People come to Ontario for adventures and retreats. They come with trailers and tents to Ontario Provincial Parks that were aptly described to us as "the cathedrals of the province." They search for quaint inns and lost treasures. They play at Marineland and Canada's Wonderland. They skate for kilometres on the Rideau Canal. They are surprised to discover a bird sanctuary on the Leslie Street Spit, 10 minutes from downtown Toronto. They taste wines in Prince Edward County and bannock at a First Nations eco-lodge in the far north. They climb the CN Tower, view the work of the Group of Seven at the McMichael and find a new trattoria on Toronto's College Street. They come to Science North and Sault Ste. Marie and the vast stretch of Canadian Shield in between. They sun on the shores of Ontario's west coast and pray in the stone churches of Prescott Russell. They sip ice wine from Niagara and cider from Thornbury. They come to hear the crack of the bat at a ballgame and feel the swish of junior hockey in London.

They come, in short, because of what we have here and what we do here. However, in spite of the rich experiences we have to offer, we are not living up to our incredible potential. We are not offering all we can. We have not yet established a culture of pride in our province. We need to provide more options for year-round tourism. We need a permanent commitment to this industry, not periodic enthusiasm. And we have much to do to achieve our goal of doubling tourism receipts and becoming all that we can be.

In the coming years, there will be great opportunities to showcase what we have to offer. The G8 Summit in 2010 and the 150th anniversary of Confederation in 2017 are just two examples of what is ahead. We should be ready.

This report should be considered a call to take action, to fundamentally improve tourism in Ontario. It should serve as a blueprint for building a tourism industry that is a continental leader. Certainly it will take time — time to develop cohesive tourism regions, to renew our products and experiences, to expand our markets, to deepen our talent pool, and to meet the new standards we set for ourselves and for the industry. That journey will need our undivided attention. But the result will be worth the effort. Ontario has the potential to become one of the world's great destinations — and now is the right time to start.



Evening Camping Near North Bay

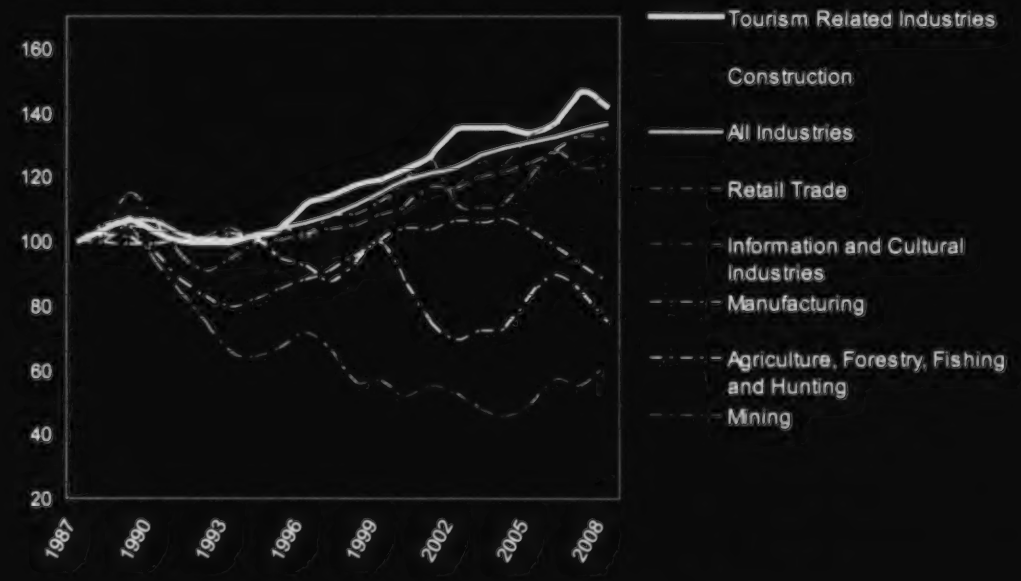
The Economic Importance of Tourism

Warren Jestin
Senior Vice-President and Chief Economist
Scotiabank Group

Tourism is one of the pillars of the Ontario economy and contributes more to provincial Gross Domestic Product than the entire primary sector, including forestry and mining. While tourism is important to all regions, Ontario traditionally receives more out-of-province travelers than any other jurisdiction in Canada. Taken together, the widely diverse firms within this industry have been leaders in employment growth over the past decade and have generated earnings with significant multiplier effects to other parts of the provincial economy.

In 2007, Ontario's tourism receipts equaled $22.1 billion. The sector contributed 3.4 percent to the Province's GDP and generated $6.3 billion in direct tax revenue for the three levels of government. Tourism employment in Ontario peaked at close to 200,000 in 2007, before falling slightly in 2008, and continues to support approximately 100,000 more workers who relied on tourism indirectly for their livelihood.[5]

Ontario Employment Growth for Selected Industries, 1987-2008
(Employment Index 1987=100)



Source: Ontario Ministry of Tourism (derived from Statistics Canada's Labour Force Survey).

Distillery District, Toronto

Dollars spent developing tourist attractions have significant spin-off benefits to many sectors. For example, the creation of museums and other attractions generates business that supports our public transportation infrastructure. Ontario's Ministry of Tourism estimates that every $1 million spent by visitors to Ontario creates about 14 jobs and generates $553,400 in wages and salaries in the province.

The near-term outlook for many Ontario industries, including tourism, has been clouded by recessionary conditions and broad-based retrenchments in discretionary consumer spending in the United States and other developed countries. Some offset is being provided by the recent sharp drop in gasoline prices and the value of the Canadian dollar against the U.S. currency. However, travel-related spending by U.S. visitors (representing 20 percent of Ontario's visitor spending) and overseas guests (accounting for a further 15 percent)[6] is likely to weaken in 2009 and experience only a muted recovery during 2010. Still, tourism's broad and diverse domestic market base should help insulate the industry from the degree of retrenchment now underway in the Province's auto sector and other export-focused industries. For example, Canadian travelers may opt to stay closer to home and take shorter, less expensive mini-vacations until economic conditions improve. Creative promotional packages, such as the ones developed during the SARS period, could provide additional stimulus.

Looking beyond the near-term economic challenges, it is important to capitalize on the longer-term opportunities available to the industry and to recognize that there won't be a return to business as usual. Global tourism, already a trillion dollar business in terms of annual revenues, is poised to grow rapidly as the worldwide traveling population doubles to 1.6 billion by 2020.[7] China and a number of other emerging nations are becoming major sources of tourists and this trend will accelerate alongside rapid income gains and an increasing ability for their citizens to travel abroad. At the same time, these nations are competing aggressively for international tourist dollars and have experienced rapid growth in arrivals from North America and Europe.

The demographic and environmental landscapes also are shifting significantly. Aging populations here and in other industrial nations will change the habits of travelers in a wide variety of ways, including average length of stay and preferred amenities. Rising environmental consciousness and the greening of regulations and legislation will have a fundamental impact on the demand for and cost of providing tourist services. The cost of doing business will also shift as the world economy gets back onto a stronger footing. Rising global demand will push commodity prices higher and may once again cause our loonie to take flight. In other words, the competitive adjustments needed to deal with higher gas prices and currency appreciation have been postponed, not avoided.

Tourism will have to adjust to these rapidly changing market realities if it is to remain a growth leader in the Ontario economy. It is essential that the public and private sectors work closely together on a two-pronged strategy that nurtures business from traditional sources — particularly from within Canada and in the United States – while simultaneously implementing new initiatives to attract visitors from nations that are just now beginning to venture onto the global travel scene.

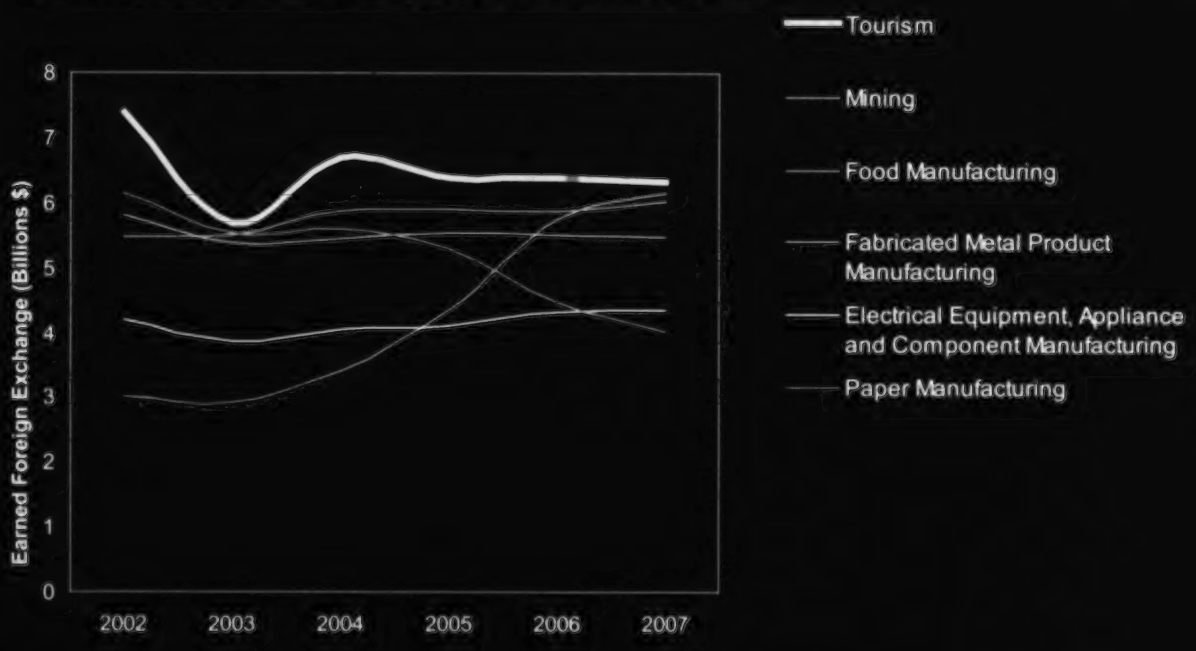
Major international events provide the opportunity to highlight a region's inherent strengths. Canada's hosting of the Winter Olympics in British Columbia in 2010 offers important marketing and business development prospects for the rest of Canada. Similarly, Ontario and Muskoka will receive world-wide

attention as Huntsville hosts the 2010 G8 Economic Summit. Selling Ontario as a venue for high-profile events should be an essential ingredient in the Province's marketing strategy.

Ontario should also develop a viable strategy to attract more tourism investment. Investors want a strong workforce, an affluent local market, evidence of economic and political support for tourism, and a strong infrastructure base.[8] Ontario has all of these strengths, but it must develop a coordinated public-private strategy that aggressively tells its story to a broad array of North American and overseas audiences. These initiatives must be backed up by practical steps that enhance travel convenience and lower its cost in terms of time and money. Improvements in cross-border access and open skies flight agreements along the lines of the one recently finalized with the European Union would provide important steps in the right direction.[9]

The bottom line is that long-term prospects for the Ontario tourism industry are bright, but the industry will need to rise to the challenge of global competition and the changing demands of its target markets.

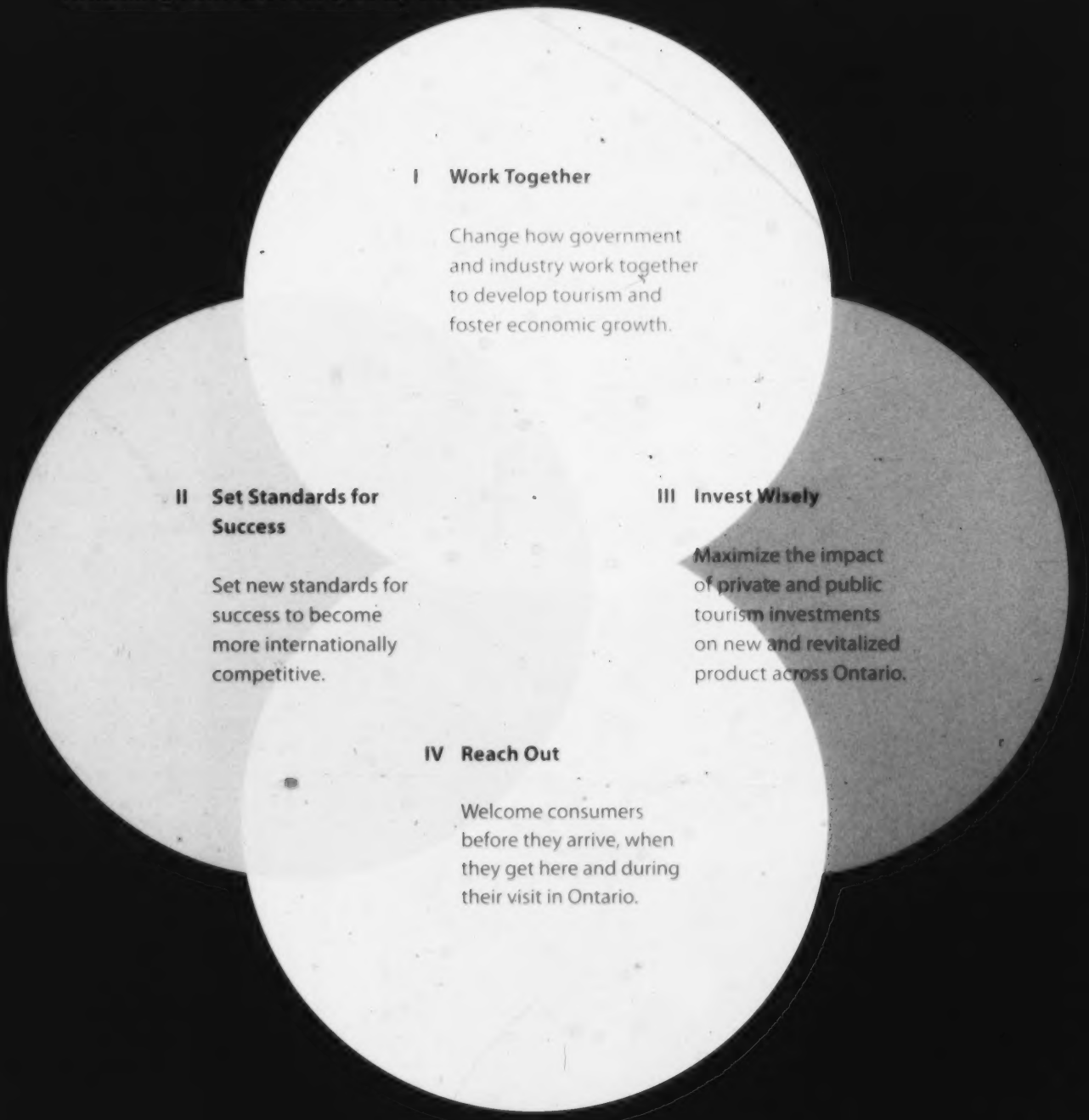
Ontario's Foreign Exchange Earnings for Selected Industries, 2002-2007



Source: Statistics Canada Data (International Travel Survey and Trade Data).

One Goal and Four Strategies

Ontario will become one of the world's preferred places to visit. Ontario has the potential and all the necessary elements to be a leading tourism destination. To get there, Ontario will aim to increase the economic contribution of tourism by doubling tourism receipts by 2020.


I Work Together
Change how government and industry work together to develop tourism and foster economic growth.
II Set Standards for Success
Set new standards for success to become more internationally competitive.
III Invest Wisely
Maximize the impact of private and public tourism investments on new and revitalized product across Ontario.
IV Reach Out
Welcome consumers before they arrive, when they get here and during their visit in Ontario.

One Goal and Four Strategies

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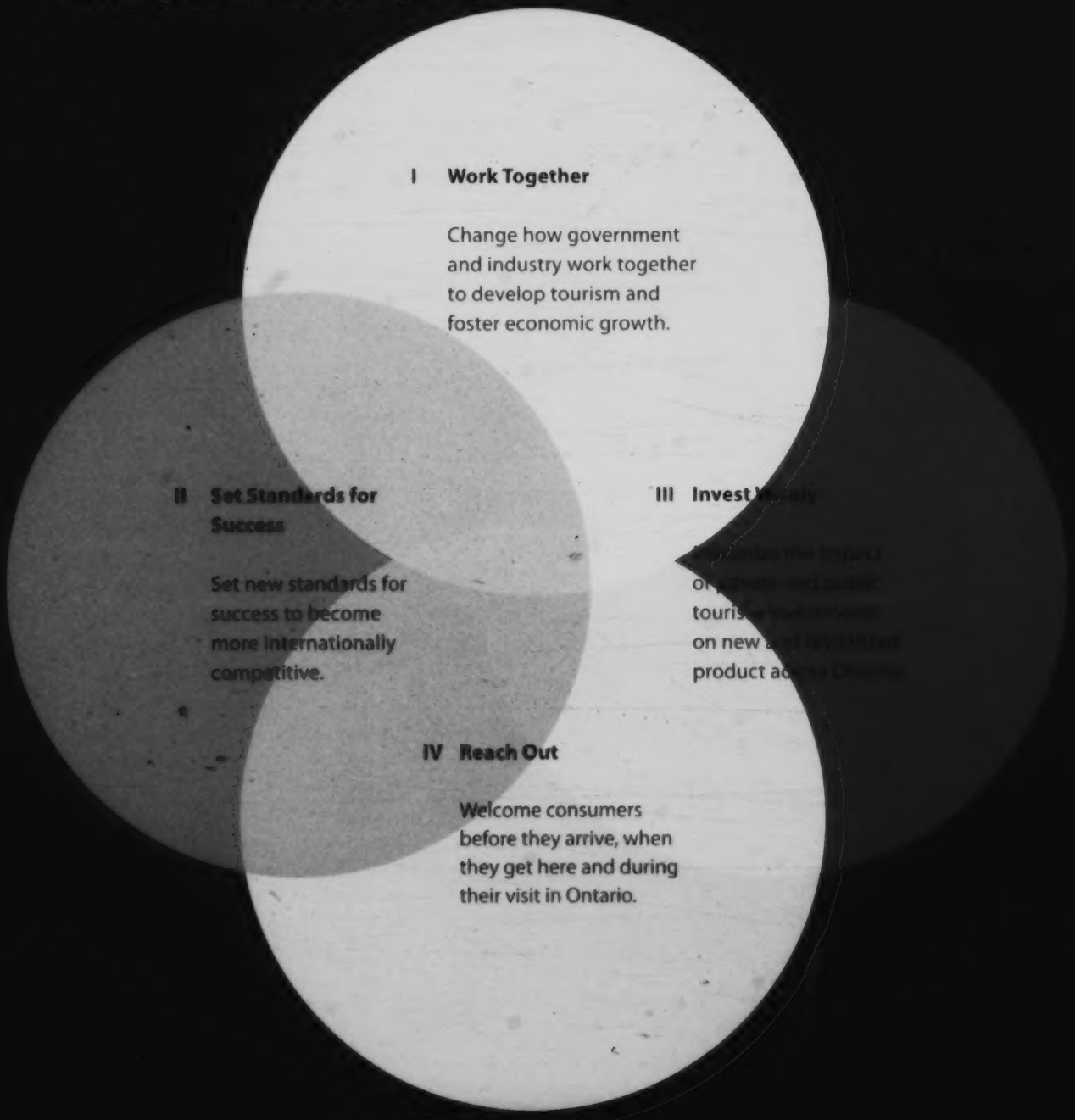
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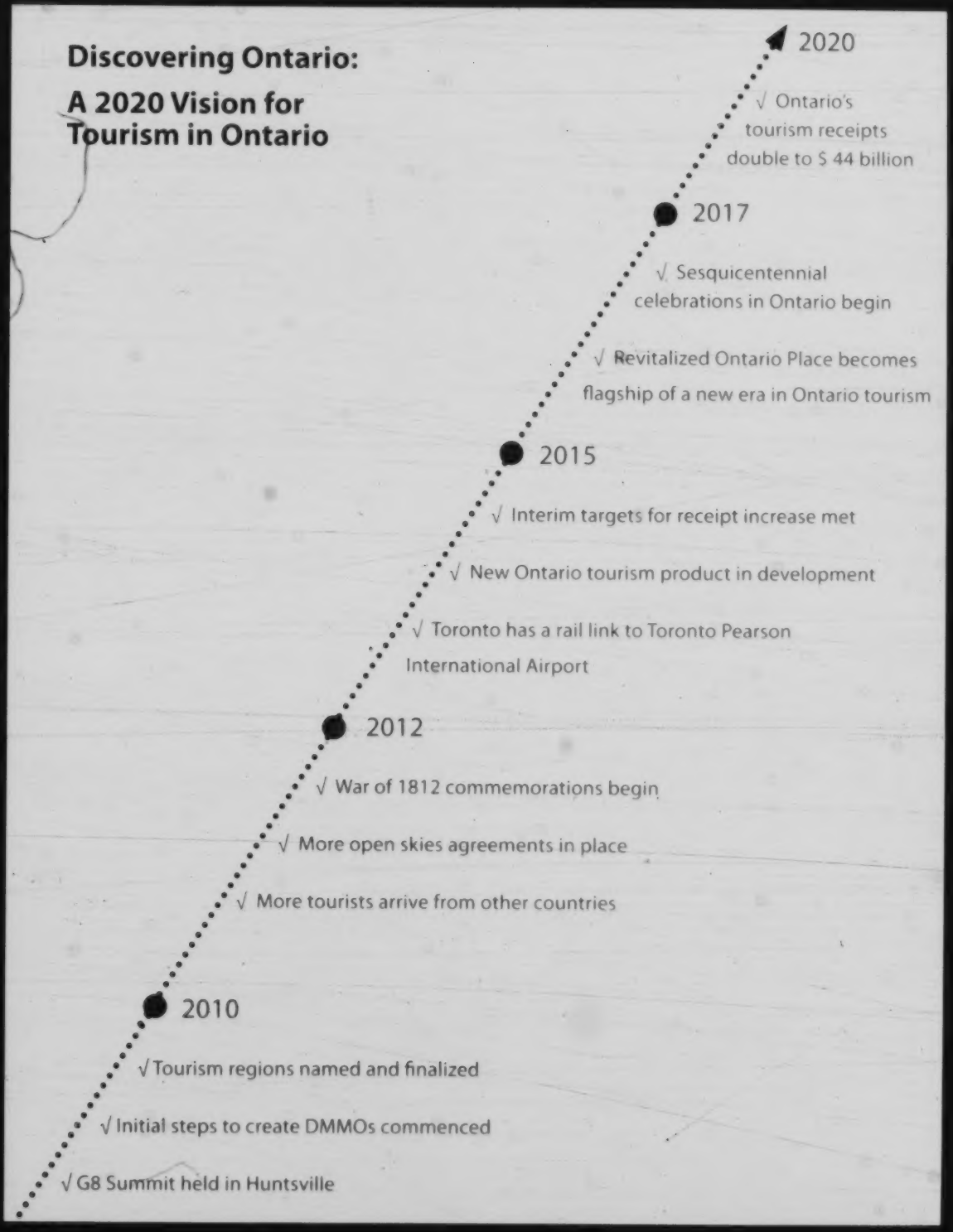
Milestones


Discovering Ontario:
A 2020 Vision for
Tourism in Ontario
2020
√ Ontario's tourism receipts double to $ 44 billion
2017
√ Sesquicentennial celebrations in Ontario begin
√ Revitalized Ontario Place becomes flagship of a new era in Ontario tourism
2015
√ Interim targets for receipt increase met
√ New Ontario tourism product in development
√ Toronto has a rail link to Toronto Pearson International Airport
2012
√ War of 1812 commemorations begin
√ More open skies agreements in place
√ More tourists arrive from other countries
2010
√ Tourism regions named and finalized
√ Initial steps to create DMMOs commenced
√ G8 Summit held in Huntsville

Recommendations

I Work Together

1. SET TARGETS: Ontario should set its sights on becoming one of the world's preferred destinations. It has the potential and the necessary elements to be a leading global destination. By 2020, Ontario will aim to increase the economic contribution of the sector by doubling tourism receipts.
2. ESTABLISH REGIONS: Ontario should establish tourism regions to better coordinate tourism marketing and management across the province. Each region should work toward creating a unique brand and a stellar experience within a provincial brand. There should be one Destination Marketing and Management Organization (DMMO) for each region.
3. REGULARIZE DESTINATION MARKETING FEES: To help support expanded regional tourism marketing and management efforts, the province should standardize Destination Marketing Fees (a fee on the room portion of a guest bill) across the province.
4. ENCOURAGE A SINGLE TOURISM INDUSTRY ASSOCIATION: The tourism industry should establish one effective and adequately resourced umbrella association to represent the needs of the entire industry. It should reflect the diversity of the industry across the province.
5. OPEN OUR DOORS: Ontario should advocate for the federal government to improve access to international markets, reduce barriers for entry into the province and, overall, make it easier for tourists to get here.

II Set Standards for Success

6. ENCOURAGE LEADERSHIP: For Ontario's tourism industry to fulfil its potential as a destination and as a contributor to the economy, it needs a highly visible and sustained commitment from the Premier and Cabinet.
7. MODERNIZE REGULATIONS: To encourage economic development, the Ministry of Tourism should work with industry to identify, reduce or eliminate key impediments.
8. ESTABLISH SERVICE AND QUALITY STANDARDS: To encourage a service culture in Ontario, the industry should adopt a service quality strategy to meet tourists' expectations for high service standards.
9. DEVELOP THE TOURISM WORKFORCE: Ontario should work to become an international leader in tourism training and education.

III Invest Wisely

10. INVEST IN TRANSPORTATION INFRASTRUCTURE: Ontario should improve access to existing attractions focusing on the links that make it easier to get from one region to another. Tourism transportation funding should focus on movement in and out of key gateways or high-draw areas.
11. ACTIVELY ATTRACT INVESTMENT: The Ontario government should identify its high-potential destinations for investment. It should undertake a campaign to target investors, provide selective incentives and make it easier to work with governments.
12. HELP OPERATORS ACCESS CAPITAL: Ontario should help support loans and/or loan guarantees to small and medium-sized tourism operators by working with existing lenders.
13. TRANSFORM OUR ATTRACTIONS: Ontario should continue to invest in its own tourism and cultural attractions, provincial parks and trails to bring them up to leading global standards.
14. REVITALIZE ONTARIO PLACE: Ontario should revitalize Ontario Place as the flagship of a new era in Ontario tourism by opening it all year, developing a master plan that includes the surrounding area and investing in local infrastructure.
15. CULTIVATE FESTIVALS AND EVENTS: Ontario should strategically invest in major festivals and events with the highest potential for growth in terms of total tourist expenditures. This would help raise the profile of Ontario and capitalize on the province's strong product offering and natural assets, culture and the arts, key economic clusters and sports infrastructure.

IV Reach Out

16. REDESIGN MARKETING ROLE: Recast Ontario's approach to tourism marketing so that one agency becomes the provincial marketing lead for promoting the provincial tourism brand in partnership with the new tourism regions.
17. MARKET STRATEGICALLY: Ontario should market its destinations and experiences by focusing on our strongest existing international markets; prioritizing new and best-prospect markets such as Mexico, Brazil, India and China; strengthening our appeal to French-speaking markets, especially Quebec; expanding our reach to new Canadians and their families; and continuing to focus on the strong domestic Ontario market.
18. FOCUS ON OUR UNIQUE PRODUCTS: Ontario should focus on the unique product offerings of regions including natural experiences and our great water assets as well as niche tourism experiences such as sports, culture, culinary, eco- and agricultural tourism.
19. IMPROVE WAY-FINDING: Ontario needs better signage to help make the province more welcoming, safe and comfortable.
20. INCREASE E-MARKETING AND ONLINE BOOKING: The industry should increase internet marketing and online booking capabilities. Through its marketing agency, the Ontario government should work with industry to make it easier for consumers to book accommodations and visit attractions.

Work Together

Change how government and industry work together to develop tourism and foster economic growth

Tourism in Ontario has the potential to grow significantly — and become a leading destination by 2020. In highly successful jurisdictions, government and industry are organized to be competitive; industry has a vehicle to communicate with government; and sustainable funding supports regional marketing.

First, by establishing a common goal to achieve success, government and industry will be better able to work together cooperatively. Targets help everyone know where we should be focusing our attention and keep track of progress along the way. Through these targets we will know what is working and what is not, and will be able to adjust the plan as we move toward doubling tourism receipts by 2020.

To achieve greater success, we first need to ensure that our organizations are up to the job. Changing the way that government and industry work together in Ontario will require a fundamental shift in the organization of both parties and how they communicate with each other. Consultation participants told us — and our Study research supports this — that a land as vast as Ontario must be subdivided into functional regions. This approach will help regions maximize their unique potential. The regions will require sustainable, self-generating funding sources and, to be more competitive, should also reduce duplication of efforts.

Ontario's tourism industry currently has many players that perform an advocacy function for its members. Operators in jurisdictions with a single strong umbrella association find that not only are they a more powerful voice to government, but membership in the association also helps expand business contacts and opportunities.

The Study also found that governments need to work together to ensure that it's easy to get here. In order to open our doors to more foreign visitors, we need to be able to welcome more airlines from more countries at airports across the nation.

We all — governments and the industry — need to work better together to strengthen tourism.

Toronto

1. Set Targets

Ontario should set its sights on becoming one of the world's preferred destinations. It has the potential and necessary elements to be a leading global destination. By 2020, Ontario will aim to increase the economic contribution of the sector by doubling tourism receipts.

"Our first recommendation would be for government and industry to establish a concrete long-term growth target that we can work together to meet."

Bill Allen, Tourism Industry Association of Ontario
Hamilton consultation, October 2, 2008

Context

The global financial crisis is affecting the entire Ontario economy — including tourism. However, long-term prospects for the industry are good — more and more people will be traveling. To work through current challenges and to be ready for opportunities when they arise, the first step is to set targets to inspire success, and to help us know when we get there.

In our consultations and in many written submissions, it was clear that it is important to set clear targets, work together to achieve them, and mark progress along the way. A definitive target helps drive change — and helps identify priorities.

Study research looked at dozens of other jurisdictions and found that a vision and targets help achieve success. The governments of British Columbia and Ireland have successfully used targets to drive developments in their tourism industries. Singapore, for example, set a target of doubling tourism visits. To help achieve that, it focused its investments on the development of a new airport. Setting a target is also consistent with the Ontario government's commitment to results.

Next Steps

- Set a target date of 2020 for the government and industry, working together, to double tourism receipts from $22 billion to $44 billion.
- Set milestones of short-term (2012) and medium-term (2017) goals along the way to 2020. These goals should be set by industry and government and range from organizational reform to increases in revenue, as well as be realistic, achievable and measurable.

Result

- All industry players and government will be united toward a common goal and committed to the measurement of success.

2. Establish Regions

Ontario should establish tourism regions to better coordinate tourism marketing and management across the province. Each region should work toward creating a unique brand and a stellar experience within a provincial brand. There should be one Destination Marketing and Management Organization (DMMO) for each region.

"A joint marketing strategy to develop the region would bring all tourism stakeholders together collaboratively marketing the destination."

Linda Simpson, Georgian Triangle Tourist Association
Orillia consultation, September 17, 2008

Context

A limited number of defined regions helps tourists orient themselves to our province and encourages them to stay longer. Regions provide a comprehensive picture for tourists.

The size and diversity of Ontario suggests that a regional approach would help highlight our unique offerings. Jurisdictions such as British Columbia, New Zealand, France, Quebec and Australia have used a regional approach to change their industry. On the websites of these tourism destinations, customers can explore the jurisdiction region, find accommodation and see attractions within a particular region.

In Ontario, there are a great number of organizations and businesses involved in tourism, but not a great deal of coordination. There is a great focus at the regional level on marketing but there is not a coordinated approach to other key issues such as product and workforce development.

"Multiple DMOs exist in certain regions of the province (e.g., Niagara and Rideau regions) which result in duplicated efforts... Coordination of marketing, product development and public-private interaction is simpler with fewer DMOs ..." *Ontario Tourism Industry Structure Assessment Research Study.*

In fact, in other jurisdictions, the establishment of regions has been crucial for innovation, competitiveness, sustainable funding and creating a harmonized voice for the tourism industry.

Study research also suggested that a smaller number of Destination Marketing Organizations (DMOs) would be more effective. That could lead to expanded roles for DMOs, including: product development, skills and training and research. The Ministry of Tourism in Quebec, for example, funds only a single RTA (Regional Tourism Association) in each region.

Some work has already been done by Ontario communities to strengthen their regions. With support from the Ministry of Tourism, a number of communities have developed local strategies using the Ministry's Premier Ranked Tourism Destination Framework. This kind of work, which is crucial for regional success, should be continued through the new regional DMMOs.

Next Steps

- Consult with the industry and partners on the number and names of the tourism regional boundaries proposed in this report (see Appendix II for map). The boundaries of the regions should be finalized before 2010. The Ministry of Tourism should provide a framework to assist regions in their decision-making process for defining regional boundaries. This Report proposes names for each region, but the final name should be chosen by the region and reflect the tourism experience to be enjoyed there.
- Establish one DMMO in each region. (This should be led by industry in partnership with government.) The initial steps to create regional DMMOs should begin by 2010, including governance and accountability relationships. (See Recommendation 3)
- Equip DMMOs with the capacity to create and implement regional tourism strategies that include marketing and research; product development and packaging; setting investment attraction and infrastructure priorities; identifying training needs and priorities; and setting quality standards.
- Encourage the DMMOs to develop partnerships and collaborate with municipalities, chambers of commerce and other local groups that support tourism.
- Ensure the Ministry of Tourism has the resources to help stakeholders establish regions and achieve their full potential.
- Provide government support for the industry via the regional DMMOs.

"We need to move beyond viewing Ontario as a single destination and create structures to [provide] a variety of regional and experience-based destinations within the province."

Nature & Outdoor Tourism Ontario
Written submission

Result

- Regions will be defined more clearly and coherently to prospective tourists.
- All DMMOs will be stronger and have a greater ability to provide regional leadership, set priorities and collaborate between regions.
- A single point of contact for management of tourism will be provided for both the industry and government at the regional level.
- A unique brand and experience will be created (within a provincial strategy) by each region, increasing its competitive advantage.

3. Regularize Destination Marketing Fees

To help support expanded regional tourism marketing and management efforts, the province should standardize Destination Marketing Fees (a fee on the room portion of a guest bill) across the province.

Context

Destination marketing fees are a great boon to the local areas where the fee is collected. The proceeds are used by local tourism associations to promote that area as a destination. This allows regions to create local marketing campaigns and, as a result, most see an increase in tourism visits.

In addition to destination marketing, some regions use the proceeds from destination marketing fees to fund capital projects, develop tourism markets and expand tourism programs. Most importantly, the fees provide a sustainable and predictable funding source for tourism marketing organizations.

A majority of Ontario's hotel rooms already have a Destination Marketing Fee. Hotels in more than a dozen areas (including Toronto and Ottawa) have chosen to charge the fee. When Ontarians travel outside the province they often pay a marketing fee on their hotel room bill; Quebec and most of our bordering U.S. states also charge a marketing fee. British Columbia, Alberta Prince Edward Island, Nova Scotia and Newfoundland and Labrador also have provincially legislated hotel room marketing fees.

Participants in our Study roundtables stated that the current uneven application of DMFs is creating "have" and "have not" destinations. The areas that have DMFs are much better positioned to market and to access partnership funds than those regions and areas without a DMF. The standardization of DMFs across Ontario would help all regions achieve their potential.

Next Steps

- Organize and develop a regional DMMO in each tourism region in Ontario that would use Destination Marketing Fees (DMFs) for marketing the region in which the funds were generated. (See Recommendation 2)
- Regularize, through legislation (if enacted), the collection and use of Destination Marketing Fees.
- Require formal votes in each region. If the majority of accommodation providers in the region support the adoption of a DMF, the fee would be mandatory for all. Participating DMMOs would be required to market within a provincial strategy.
- Work with hotel and tourism associations to determine the appropriate governance structure of the DMMO. Legislation, if enacted, could establish the appropriate use, collection and accountability of the DMF.
- Ensure that no DMF dollars fund any level of government.

"We've looked at it [Destination Marketing Fee] as a 2009 priority as we go through a transition here regionally, but at the end of the day what would make it much easier is if the Ontario government just legislated it. So it's fair, consistent, it can be used for the right reasons and it can be governed accordingly."

Gordon Orr, Convention & Visitors Bureau of Windsor Essex County & Pelee Island
Windsor consultation, September 10, 2008

Result

- All DMMOs would have a consistent means of self-generating, sustainable funds to develop and market their regions within a provincial strategy.
- Sustainable funding would allow regions (DMMOs) the confidence and ability to plan multi-year marketing and development strategies.
- Provincial legislation regularizing the collection and use of destination marketing fees (if enacted) would provide a consistent hotel room marketing fee policy across Ontario.

4. Encourage a Single Tourism Industry Association

The tourism industry should establish one effective and adequately resourced umbrella association to represent the needs of the entire industry. It should reflect the diversity of the industry across the province.

"We need to clarify the organizational structure so that the industry and the municipalities and government know...who's responsible to do things."

Tim Lukinuk, Amethyst Mine Panorama
Thunder Bay consultation, October 24, 2008

Context

A strong, central and well-resourced umbrella association can be a very effective advocate for the industry. We have small and large operators across the province and there is no single vehicle for them to raise systemic issues. Ontario lacks a single point of contact for tourism stakeholders to voice concerns, resulting in confusion and inefficiencies.

The advantage to the industry of a single association is the ability to build broad business networks. Those networks can help identify and take advantage of new opportunities. For example, a small hotel operator could join forces with an attraction operator and cooperate on marketing materials.

Many major tourism jurisdictions have well-aligned industries with a single vehicle to make their voices heard to government. The part of the Study research that looked at tourism industries around the globe found that the best associations were sustainable, had a clear and accountable structure, launched successful campaigns — and became models for other jurisdictions.

In British Columbia, the Council of Tourism Associations (COTA) was founded in 1993. Over the years, COTA's efforts have resulted in numerous tourism-friendly changes in government policy, including changes to the *Tourism Act* and securing sustainable revenue for Tourism BC's marketing efforts. "COTA looks at the big picture — harmonizing each single voice into one loud, effective roar."[10]

Next Steps

- Create and support an effective and adequately resourced umbrella industry association that would represent the needs of the entire industry to governments and other sectors. (This would not mean that other associations could not or should not exist, but that a single association with broad membership could more effectively and consistently represent tourism industry interests to government.)
- Ensure that the DMMOs and the association work effectively together — particularly to identify province-wide concerns and opportunities.
- Foster the success of the association that is chosen by the industry with government recognition and support.

"Government needs a single provincial tourism advocacy voice and so does our industry."

Ontario Accommodation Association
Written submission

Result

- The industry will be better able to achieve consensus on its key priorities and needs, and develop partnerships and opportunities within the industry.
- The industry association will be more accountable to the industry.
- A larger single association will be able to sustain itself through memberships.
- The diverse industry will be able to communicate more effectively with government.

5. Open Our Doors

Ontario should advocate for the federal government to improve access to international markets, reduce barriers for entry into the province and, overall, make it easier for tourists to get here.

"[L]obby the Federal Government to develop border efficiencies, liberalizing air services and reduce airport expenses…lobby the Federal Government to secure an Approved Destination Status [ADS] with China."

Ontario Restaurant Hotel and Motel Association
Written submission

Context

The federal government has an important role to play in encouraging tourism. It needs to be simple for foreign tourists to get here — by plane, train, boat or automobile. A competitive open air and accessible border environment is essential in order to increase the number of international tourists coming to Ontario.

It is essential that the U.S. market have easy access to the border and understand crossing requirements. American citizens who drive here have long been a mainstay of the industry and continue to be an important market. One in seven tourists to Ontario is from the United States.[11] Our federal government and the U.S. government need to work together to ensure that crossing the border is not a deterrent to tourists visiting Ontario or other parts of Canada.

A study by the European Commission (EC) shows the number of passengers flying between the EU and Canada could reach 14 million by 2011 — up from eight million in 2007 — and result in consumer benefits of at least $110 million through lower fares for both Canada and the EU.[12]

Over the past few years, more tourists have been visiting Ontario by cruise ship. Research estimated that Great Lakes cruising contributed $22 million to the Ontario economy in 2004.[13] The Ministry of Tourism estimates the potential at $80 million to $120 million per season. Tourists need to be able to arrive here easily — by land, air or water.

The federal government has made significant investments in port infrastructure in other parts of Canada. In the 2008 federal budget, $24 million was allocated over two years to develop tourism-related infrastructure ports in Quebec. Ontario should encourage the federal government to provide Ontario with its fair share of funding for Great Lakes cruising infrastructure.

In addition to supporting access, another key role that the federal government should play is creating a national tourism research agenda. This would help the industry determine their best-prospect markets.

Next Steps

- Engage the federal government to help support Ontario to become a globally competitive tourist destination.
- Improve border efficiency and access for American tourists. Provide clear information about border-crossing requirements under the Western Hemisphere Travel Initiative.
- Persuade the federal government to reduce rents at international airports across the country, especially at Pearson International Airport.
- Encourage the federal government to pursue open skies agreements with six new countries: Mexico, Brazil, China, India, Japan and South Korea.
- Suggest that the federal government pass amendments to the *Coasting Trade Act* and facilitate increased opportunities for cruise ships to operate on the Great Lakes. The federal government should also fund Ontario's fair share of cruising infrastructure. (See Recommendations 10 and 11).
- Encourage the federal government to secure Approved Destination Status with China.
- Encourage the creation of a new National Tourism Research Agenda.

"[T]here's such a negative feeling when a lot of the tourists cross that border and get into Canada. They run into a lot of hurdles at the border and when they get over there they just want to exit Fort Frances and get to their destination as fast as possible."

Roy Avis, Mayor, Town of Fort Frances
Kenora consultation, September 30, 2008

Result

- More visitors from global tourism markets will result in increased tourism receipts.
- Timely, easy and efficient border access means we will see an increased number of tourists crossing the Canada-U.S. border.
- Great Lakes cruising will expand on the upper St. Lawrence and the Great Lakes.
- More tourists will arrive with the help of new open skies agreements.
- Ontario will be able to compete with global tourism destinations with the help of a National Tourism Research Agenda.

Set Standards for Success II

Set new standards for success to become more internationally competitive

To be an international player, the tourism industry needs support for its transformation. It must have leaders who champion the sector's needs; it must have a modern and efficient regulatory environment; it must be renowned for its service culture demonstrated by a quality workforce; and, it must have quality products that consumers can rely on.

Despite the economic significance of the tourism industry, the sector often has been outside key economic considerations and decisions. The industry needs a champion. For this reason, leadership must occur at the highest levels and the Ministry of Tourism should be a leader on all tourism-related issues. A strong, unified, whole-of-government approach will help ensure that the sector's needs can be heard and addressed in a coordinated way. To help support healthy tourism businesses, decisions made on investment, infrastructure, transportation, developing a skilled workforce and regulatory and legislative frameworks must include the tourism business perspective and considerations.

Legislation and regulations help define the environment in which businesses compete and grow. There are over 150,000 businesses in the tourism sector — almost 17 percent of the total number of businesses in the province.[14] More than 90 percent of these are small and medium-sized businesses that are very sensitive to legislative and regulatory burdens and compliance costs.[15] Furthermore, much of the tourism sector is seasonal and is often subject to the same costs and requirements as year-round operations. While the Ministry of Tourism has legislation that affects the tourism industry at large, many other provincial ministries also influence the tourism sector through their regulations. A modern and efficient legislative and regulatory environment across government is essential to allow the sector to flourish.

Today's tourists are not just looking for a place to stay; they are seeking a very high level of service. This means the level of skills required from today's tourism workforce is increasing. At the same time, attracting and retaining high-quality employees is critical to the sector. There is a pointed need to address labour gaps.

Ontario has an education system that is the envy of jurisdictions around the world. Ontario has a great opportunity to create the best skilled workforce in the world and become known as an international destination for tourism training.

Rainbow Bridge Niagara Fall

6. Encourage Leadership

For Ontario's tourism industry to fulfil its potential as a destination and as a contributor to the economy, it needs a highly visible and sustained commitment from the Premier and Cabinet.

"Leadership is required at the provincial level that clearly defines the path forward...can provide the security for various players to feel confident and comfortable working together..."

Norfolk County Tourism and Economic Development Division
Written submission

Context

Tourism contributes over $22 billion a year in receipts for Ontario.[16] It is comprised of operators, both small and large, from every corner of the province. True leadership in tourism will help ensure that the industry is considered in major economic, transportation and infrastructure decisions.

Leadership means two things to the tourism industry: acknowledgment of its contribution to the economy and a whole-of-government approach to tourism. Participants in our consultations explained that they often have to deal with myriad different ministries in order to do business.

The Study research indicated that, in successful tourism jurisdictions, government has taken clear leadership, cultivated a whole-of-government approach and paid sustained attention to progress.

A number of successful tourism jurisdictions have developed overarching tourism strategies that include other government departments. British Columbia set an aggressive target that was strongly and visibly reinforced by the Premier. Australia enacted a tourism bill and created a Tourism Minister's Council to lead tourism development.

The Study research on tourism infrastructure also noted that Ontario should have a specific mechanism in place to coordinate public tourism infrastructure funding on a whole-of-government basis. This would help ensure that the Ontario government has a proactive and coordinated infrastructure strategy that incorporates tourism priorities.

Next Steps

To provide leadership on issues related to tourism economic development, the Ministry of Tourism should:

- Ensure that all Government of Ontario ministries that impact tourism come together to create a whole-of-government approach to tourism.
- Establish a Results Team for Tourism (as was done for Health and Education and other ministries) to help provide accountability and demonstrate progress.
- Report annually to Cabinet on the state of tourism in Ontario.
- Work with the Premier's Office and Cabinet Office to identify milestones and measures of progress toward the 2020 goal.
- Work in collaboration with industry to better inform the government's overall economic priorities. This would help link broad initiatives to the industry (e.g., "enablers" such as infrastructure development, product development, training and service quality, and regulatory modernization).
- Include tourism in the economic development strategies of Ontario ministries (e.g., tourism should be included in the investment attraction priorities of the Ministry of International Trade and Investment).
- Ensure the Ministry of Tourism has the human and financial resources it needs to fulfil its leadership role.

Result

- Tourism has a higher profile and Ontarians are more aware of its contribution to employment and economic development.
- Government resources are allocated in a more focused and effective way to support tourism industry growth.
- There is clear and measurable progress toward maximizing the competitiveness of the tourism industry.
- Investment and infrastructure funding decisions incorporate tourism priorities.

7. Modernize Regulations

To encourage economic development, the Ministry of Tourism should work with industry to identify, reduce or eliminate key impediments.

"[A]s small operators we do everything...but we have all these ministries and all these different inspectors and all these things happening that it takes us forever. We're drowning in it and I think that tourism needs somebody to take a look at all of the different things that affect us in tourism and actually try to streamline them..."

Dianne Hounsome, Bayview Wildwood Resort
Orillia consultation, September 17, 2008

Context

The tourism industry is made up of a diverse range of businesses that are seasonal, geographically disperse, and cover a wide range of activities. They are affected by legislation and regulation residing in many provincial ministries as well as other levels of government.

Many operators told us at the consultation sessions that regulatory issues were a barrier to tourism investment and development. The Study then organized eight roundtable discussions with over 100 tourism stakeholders to identify processes or policies that hinder growth.

At the roundtables people discussed barriers in labour, way-finding, marketing, liquor and land access regulations. They also raised concerns about the inconsistency of application, insufficient clarity and the lack of flexibility for seasonal and small and medium-sized businesses.

To help address these issues, there should be more collaboration across government. Regulations should be modernized and government processes should be streamlined. Government should regularly review best practices, and consider the unique needs of the tourism industry.

"For the most part, the barriers identified stem from regulations that are not those of the Ministry of Tourism...This necessitates forging stronger interactions and relationships with [other] Ministries through both informal and formal mechanisms." *Ontario Reducing Barriers to Tourism Business Research Study.*

Next Steps

- Work through the government's Open for Business initiative to reduce burdens for tourism businesses.
- Propose to modernize the Ministry of Tourism's own legislation/regulations, including the *Innkeepers Act* and the *Hotel Registration of Guests Act*, to align with current or best practices.
- Focus initially on issues that were raised by the industry including: annual event licences, costs associated with new regulatory requirements, cost recovery for room and board, training and liquor regulation. No changes should reduce the protection of health and safety or other related public policy objectives.
- Ensure that regulations and policies impacting the use of Crown Land and natural resources for tourism purposes are efficient, minimize barriers and support business opportunities.
- Monitor and benchmark progress against performance measurements.

"[E]ncourage the Ministry of Tourism to take a leadership role in working with all other ministries…to oversee and monitor legislation; to streamline and eliminate redundancies thereby growing the tourism product within the province."

Beth Potter, Camping in Ontario
Toronto consultation, September 11, 2008

Result

- There will be a modernized regulatory environment for tourism businesses to compete, invest and grow.
- Impact on tourism businesses is considered when ministries amend or develop new legislation or regulation.
- Tourism businesses understand their obligations and regulations are enforced consistently.

8. Establish Service and Quality Standards

To encourage a service culture in Ontario, the industry should adopt a service quality strategy to meet tourists' expectations for high service standards.

Context

Tourists today pay attention to service and quality standards in a way they never have historically. Among the many things that have driven this new attention is the shift toward using the internet to gather information and book reservations. Tourists are also traveling farther from home so ratings become shorthand for a quality experience.

Service quality is one of the things that tourists remember and what they talk about when describing their experience. Tourists are increasingly looking for a very high level of service. Their service experience is reflected in their assessment of the product.

Tourists are increasingly using websites such as Travelocity and Expedia because these sites tell them what to expect from a destination. The sites compare popularity and allow tourists to rate their experiences, their accommodations and the services they received.

Leading tourism jurisdictions have instituted tourism accommodation and service rating systems for both service and product. These rating programs create a culture of continual improvement and, overall, increase the competitive performance of business.

- New Zealand launched a Quality Strategy designed to give consumers confidence in the country's reputation as a high-quality holiday destination.
- Ireland developed the Optimus Programme, a customer service accreditation system for the industry, to be more competitive with other European destinations.

"Today's consumer is infinitely more discerning and chooses accommodation based on standards. A multitude of competitive destinations and jurisdictions have established assurance programs based on setting measurable product standards. Ontario currently lacks an officially recognized provincial program; however, the accommodation sector has come together in the hopes that a provincial system would benefit both the consumer and the operator." *Provincial Quality Assurance Accommodation Rating Program 2007, Accommodation Industry Alliance of Ontario.*

Next Steps

- Establish an industry-led Tourism Sector Council (industry and government) to design and launch a quality strategy. The work should include determining the tourism products to be assessed; developing an assessment of framework/branding; developing supports and training to allow tourism operators to work toward achieving standards(see also Recommendation 9). The quality strategy should help give consumers confidence in Ontario's service standards.
- Link eligibility for government programming to operators that have adopted the quality strategy.
- Coordinate with DMMOs to ensure the regional adoption of the quality strategy.

"It's paramount that Ontario's product and service delivery be exceptional. Ontario's product is vast. Whatever the product, the quality of that experience needs to be outstanding to meet the high standards that today's travelers expect."

Valerie Taylor, Shaw Festival
Niagara Falls consultation, September 22, 2008

Result

- High customer satisfaction will be demonstrated through increased customer loyalty and repeat visits to facilities.
- Consistently high standards will be adopted by the industry through a disciplined quality management approach.
- The tourism sector has an increased international reputation as a quality contender through Ontario's recognized quality brand.

"We're probably one of the only destinations that does not have a mandatory grading system. BC, Quebec, the Maritimes,...Mexico have a grading system. There is credibility in a grading system...and I think this is one of the important factors that is missing in the equation."

Michael Arpin, Rice Lake Association
Toronto consultation, September 11, 2008

9. Develop the Tourism Workforce

Ontario should work to become an international leader in tourism training and education.

"There is a shortage of frontline staff in our tourism and hospitality industry and we would do better to promote employment in tourism as a career and not just a stop gap of a summer job."

Dan Gall, OLG Slots at Kawartha Downs
Toronto consultation, September 11, 2008

Context

Participants in our public consultations raised concerns about their ability to find highly skilled workers — there is a labour shortage in this industry. They also underlined the need for more people to consider a career in tourism.

One of Ontario's key competitive advantages is our well-educated workforce. There is a tremendous opportunity for industry, government and academic institutions to collaborate on tourism workforce needs. A first step would be to help students learn about education options and accreditation.

Ireland, for example, has developed a human resources strategy and focused on the need to look at people working in the industry as a principal source of competitive advantage. It also underlined the importance of postsecondary education in developing a knowledgeable and highly skilled workforce.

Part of the solution is coordination among postsecondary institutions. LinkBC provides British Columbia with an effective and comprehensive way to represent 20 post-secondary tourism and hospitality programs across the province.

In Ontario, six universities and all 24 colleges deliver programs in either tourism, hospitality or culinary sectors. A number of apprenticeship trades are also directly and indirectly related to tourism, hospitality and culinary arts. The Ontario government supports education and training through programs and initiatives including:

- Ontario's $6.2 billion Reaching Higher Plan, a multi-year investment in postsecondary education
- Skills to Jobs Action Plan, a $1.5 billion investment to assist unemployed workers get long-term training including the Second Career program
- Bridge Training Programs to assist internationally-trained immigrants to move quickly into the labour market
- Student Success/Learning to 18 Strategy to increase high school graduation rates, including Cooperative Education programs, Specialist High Skills Majors, and Dual Credit programs.

We need to better coordinate our education offerings, both between institutions and with the industry. The result will be higher and better employment as well as an enhanced service experience for the tourist.

Next Steps

- Establish an industry-led Tourism Sector Council with government (as in Recommendation 8) to create a comprehensive provincial tourism human resources strategy. The strategy should support training standards that are aligned with quality standards and best practices in innovation, technology and management.
- Require regional DMMOs (see Recommendation 2) to work in partnership with the Ministry of Training, Colleges and Universities to address regional tourism labour shortages and training needs.
- Ensure that the Ministry of Tourism works with the Ministry of Training, Colleges and Universities so that tourism needs are included in strategies to develop a knowledge-based economy.
- Promote tourism as a career by expanding initiatives such as Specialist High Skills Majors, Dual Credit programs, Second Careers and Bridge Training Programs as well as embrace the untapped domestic labour market (e.g., seniors).
- Provide incentives to employers such as training credits.
- Ensure that training programs maximize the opportunities created by labour mobility in the industry and diversity for local and regional tourism businesses.
- Improve the image of the sector as an employer through technology, such as online human resources marketing.

"A firm commitment to staff training, primarily customer service training, is a must in this highly competitive service oriented/people first tourism economy; Provincial support in these areas, to broaden co-op and apprenticeship training programs, as well as the expansion of hospitality and tourism programs in area colleges is something we must continue to do."

Niagara Parks Commission
Written submission

Result

- Achieve recognition of Ontario as an international leader in tourism education by 2020.
- Ontario is a world leader in attracting, training and retaining a high-quality tourism workforce.
- Industry, government and academic institutions collaborate to strengthen our tourism workforce.
- More people find long-term careers in the tourism industry, and the industry can easily find the talented staff it needs.
- Ontario competes globally with high-quality tourist destinations. (See Recommendation 8)
- Strong training and lifelong learning are part of Ontario's culture.

Maximize the impact of private and public tourism investments on new and revitalized product across Ontario

At the centre of the tourist experience is the tourism product. Ontario has the natural, cultural and historic resources, the festivals and events, as well as the supporting facilities to be recognized as a desirable tourism destination in an extremely competitive market.

However, tourists look for unique, tailored and high-quality experiences and have a number of great destinations to choose from. The status quo in Ontario is not an option. To become more competitive, Ontario's tourism product must be more relevant and interesting to travelers — and encourage repeat visits. It must be easy to get here and to move around. We need to better utilize new technologies to enhance the tourist experience. Our attractions need to be more accessible, more year-round and linked to tourists' needs.

Investment in promoting and sustaining Ontario's tourism industry contributes to the economic health of communities and provides a catalyst for economic development. Investment is necessary, but with limited resources we can't do everything at once. To become internationally competitive, Ontario must focus on strategic tourism investments with maximum return. Infrastructure investment in transportation that helps travelers get from place to place is crucial to more enjoyable and longer visits. At the same time, we will need to be more helpful to private investors looking to grow their business in Ontario. Small and medium-sized operators also need access to capital to help revitalize their product.

The Province's attractions are magnets for new investments. The Ontario government's support for the cultural renaissance in Toronto (the AGO, ROM, Four Seasons Centre for the Performing Arts and Luminato) and a new world-class convention centre in the nation's capital will have a major impact. Now the Province has an opportunity to further enhance our public attractions to make them even greater tourism generators. We need to have a whole-of-government approach to infrastructure investment, access to capital and investment attraction to help encourage more innovation, creativity and economic growth.

New investment will also help make our tourism product more accessible. Almost two million people in Ontario alone have a disability — and, as the population ages, this number will grow.[17] Barriers that prevent this market from accessing products and services should be reduced by investment in new and existing products.

Ontario Hydro

10. Invest in Transportation Infrastructure

Ontario should improve access to existing attractions focusing on the links that make it easier to get from one region to another. Tourism transportation funding should focus on movement in and out of key gateways or high-draw areas.

Context

The quality of our transportation systems is starkly evident to tourists from the moment they arrive. Well-developed transportation makes it easy for tourists to find their destinations, have a positive experience and stay longer. Good transportation helps attract tourists to cities and towns — and helps people who live there get out and explore the regions around them.

In 2007, over 17 million international visitors chose Ontario as their destination, spending $6.1 billion in the province.[18] The Niagara region alone attracted more than 11 million visitors.[19] Efficient, effective and safe transportation is critical to the health and vitality of tourism in Ontario. Good transportation infrastructure is also one of the things that investors look for when choosing a location for a new project.

There are opportunities within the province for the development of alternative modes of transportation (e.g., rail or water links between Toronto and Niagara) that would facilitate travel by tourists throughout the province. For example, a rail line to Toronto Pearson International Airport could help tourists get into Toronto efficiently and link to other modes of transportation so they can explore the rest of the province. These kinds of expanded links would encourage tourists to explore more than one region, experience more of Ontario's attractions and extend their visit. In fact, alternative modes of transportation can be attractions themselves — the Agawa Canyon rail line in northern Ontario, for example, draws tourists from around the world.

Changing demographics and increased urbanization further support the need for high-quality, accessible and efficient modes of transportation that both attract tourists into key gateways and lead them into the rest of the province.

"Access is a key infrastructure issue for tourist destinations throughout the province. It is particularly important to regions where tourist attractions are widely dispersed." *Ontario Tourism Infrastructure Research Study.*

Next Steps

- Work with the Ministry of Transportation to include access to tourist destinations as a component in the evaluation of infrastructure investments.
- Continue to support the expansion of provincial transit, active transportation facilities and initiatives that are environmentally friendly alternatives and provide the necessary linkages to tourism destinations.
- Support ongoing negotiations with the federal government on port infrastructure and marine border crossings.
- Work with municipal leaders in key tourism gateways to prioritize transportation infrastructure requirements that would support tourism product development or that could themselves be tourism products (e.g., transportation via waterways).
- Review the Regional Transportation Plan released by Metrolinx, the Greater Toronto and Hamilton Area's (GTHA) regional transportation agency, to identify opportunities that promote access to important tourism destinations.
- Build on initiatives in progress and develop new options such as a rail link to Toronto Pearson International Airport, expanded waterways infrastructure, expanded GO Train services, and improved rest stops across Ontario.

"Review investments in infrastructure—are they 'smart'? Do they reflect current priorities? Are they sustainable?"

Susan Julian
Written submission

Result

- People will be able to get to and from Ontario's key destinations easily — particularly from the tourism gateways (Niagara, Toronto and Ottawa).
- A sophisticated transportation network will encourage visitors to stay longer and visit more parts of the province.
- Ontario will boast a network of high-quality, accessible, alternative (to auto) forms of transportation throughout the province (such as rail, ferries and bike trails).
- New transportation investments will consider the impact on tourists and the tourism industry.

11. Actively Attract Investment

The Ontario government should identify its high-potential destinations for investment. It should undertake a campaign to target investors, provide selective incentives and make it easier to work with governments.

Context

Encouraging new investment in Ontario tourism has clear economic benefits. New investment would help create jobs in the building and operating phases and attract more year-round visits from larger and more diverse markets.

The competition for investments is fierce — both domestically and globally. Private sector investors view Ontario as a good place to invest, but we need to make it even more attractive. Study research revealed that successful investment attraction requires a targeted approach that highlights the real opportunities in Ontario. Government must therefore be proactive, particularly in the current economic climate, and focus on key locations and opportunities.

Key locations, according to Study research, are the best way to focus a tourism investment attraction strategy. Investors are looking for a critical mass of tourism infrastructure, product and visitation numbers. Study research identified three geographic clusters of attractions, infrastructure and visitor numbers that would appeal to investors: Toronto, Ottawa and Niagara and their surrounding areas.

Study research also highlighted the importance of a whole-of-government approach. It would help to ensure a timely and coordinated approach to significant investments — and it would signal to investors, the government's willingness to encourage positive new investment in Ontario's tourism product offerings. (See Recommendation 6)

Finally, an overarching principle should be that government and industry need to encourage sustainable tourism development that balances tourism interests with efforts to protect the environment. They also need to ensure that investment helps make our tourism products more accessible.

"Aggressive goals tend to eliminate marginal initiatives by channeling resources into more meaningful opportunities....the shotgun approach to investment attraction is rarely effective," *Ontario Tourism Investment Attraction Research Study*.

Next Steps

- Make tourism investment attraction a key part of Ontario's overall economic strategy. Investors should have a one-stop-shop — a single point of contact — to help with substantial investments and provide information to support investment decisions.
- Develop a campaign to market Ontario's key tourism investment opportunities internationally.
- Aggressively pursue national and international tourism investors.
- Create a portfolio of high-potential tourism investment opportunities in key locations.
- Focus the pursuit of the largest tourism investments in areas accessible to Ontario's three largest tourist destinations: Toronto, Niagara and Ottawa.
- Use government investments in tourism infrastructure to support private sector investment such as transportation, broadband access, trails and waterfront/waterways development. (See Recommendations 10 and 13).
- Each DMMO should identify its regional tourism investment priorities.

"[D]eploy a multi-ministry team to support attracting and implementing large investment projects similar in approach to that used for projects in other industries."

Tourism Industry Association of Ontario
Written submission

Result

- Ontario will have a targeted, coordinated tourism investment attraction strategy that maximizes its strengths.
- There will be a single point of contact for tourism investment and a whole-of-government approach.
- There will be global recognition that Ontario is "tourism investment friendly."
- Ontario will see increased tourist visits, more tourism employment generation and improved tourism product.

12. Help Operators Access Capital

Ontario should help support loans and/or loan guarantees to small and medium-sized tourism operators by working with existing lenders.

"We need to raise and maintain the standard of our product offering and services in order to compete. Our tourism businesses lack access to capital to maintain, improve, grow or market themselves. Most banks will not lend to tourist operators or if they do the interest rates are prohibitive."

Donna MacLeod, Rainbow County Travel Association
Sudbury consultation, September 19, 2008

Context

Even before the changes in the global credit market, operators of tourism businesses — particularly small and medium-sized enterprises (SMEs) — have found it difficult to secure the capital they need to improve, modernize or expand their operations. Lack of access to capital discourages growth and new development.

The Study conducted roundtables in a number of locations across Ontario that focused on reducing regulatory barriers (see Recommendation 7). Participants identified access to capital as a "big issue."

At the same time, Study research and consultations showed that gaps exist in what we offer tourists. There is a clear need for more innovation, more new product and a greater sensitivity to tourist needs, trends and expectations. There is a need to encourage private product development that could help revitalize existing and create new tourism product that is in line with tourists' wants and needs.

Access to capital is of particular concern outside of major cities. Access to capital may also help local communities, broaden markets, and develop more accessible and year-round attractions.

Next Steps

- Utilize existing federal and provincial funding vehicles to address the access-to-capital needs of tourism enterprises, especially SMEs. This should include exploring a partnership with existing lenders, as the fiscal situation allows, to support tourism development (e.g., a virtual tourism development bank).
- Help the tourism industry be aware of provincial supports such as the Eastern Ontario Development Fund and Northern Ontario Heritage Fund Corporation.
- Focus potential support on updating and/or expanding existing Ontario tourism product that will result in increased economic activity, environmentally sustainable activities and jobs.
- Work with other ministries, including the Ministry of Natural Resources, to explore potential adjustments under the existing Crown Land tenure system, with the goal of improving access to capital financing for tourism SMEs.
- Promote the viability of the tourism sector to banks and credit unions by virtue of this report and other communications strategies.

"The single biggest stumbling block or obstacle to return our industry to competitiveness…is access to capital."

Bruce Gravel, Ontario Accommodation Association
Toronto consultation, October 1, 2008

Result

- Tourism SMEs will be able to invest in improvements that will help attract new and repeat visitors.
- Businesses will be better able to meet tourism trends and expectations.
- Government resources and support will be coordinated to help tourism SMEs and support economic growth in the sector.

13. Transform Our Attractions

Ontario should continue to invest in its own tourism and cultural attractions, provincial parks and trails to bring them up to leading global standards.

"These agencies could be serving as your ambassadors locally, regionally and internationally…[T]here's an infrastructure already in place; there's a committed staff, there are many business models that we are following. And we're very keen and we believe strongly in the province of Ontario."

Tom Smart, The McMichael Canadian Art Collection
Toronto consultation, September 11, 2008

Context

Ontario has provincial attractions that entice, appeal, educate and instil pride of place. But our attractions are in need of investment to allow them to achieve their potential as major tourist draws.

The Government of Ontario has made significant investments in cultural attractions such as the Royal Ontario Museum (ROM) and Art Gallery of Ontario (AGO). Those renewed attractions are already drawing cultural tourists. However, many of Ontario's agencies, attractions, historical and archeological sites, convention centres, provincial parks and trails require significant funding for capital restoration projects and support for increased operating costs.

Anchor attractions that help drive business in the surrounding area should be a funding priority for future tourism infrastructure investment. A number of issues need to be addressed including: overdue need for state-of-good-repair improvements, lack of new construction, increased maintenance costs, dated and aging attractions, limited partnerships and lack of appeal to broad demographic groups.

According to Study research, the top five Ontario public products that have additional potential to increase their tourism product offerings and economic activity are the Niagara Parks Commission, Ontario Place, our major convention centres, the ROM and AGO. *Ontario Tourism Product Assessment Research Study.*

There is also a need for a stronger provincial trails strategy. The province boasts magnificent trails, but they need maintenance and a higher profile. Much more could also be done, according to Study research, to strengthen the bundling and clustering of tourism product to improve the experience for visitors.

"We are …often trying to sell an Edsel to a consumer who wants a Smart car …"

Stephen Burnett, Great Lakes Cruising Coalition
Kingston consultation, September 24, 2008

Next Steps

- Build on recent infrastructure investment, as the fiscal situation allows, by continuing to invest in existing high-potential tourism and cultural public products to bring them to a globally competitive level, such as the ROM, AGO, Niagara Parks Commission, Ontario Place, convention centres in Ottawa and Toronto, and Ontario Science Centre.
- Prioritize operating support for these public products to ensure their sustainability and allow them to achieve their full potential.
- Ensure that public investments are aligned with priorities for tourism product development, infrastructure, festivals and events and investment attraction priorities. They should also be connected with regional objectives and targeted to specific regional needs identified by DMMOs (See Recommendation 2). This would allow provincially-owned attractions to play an even greater role in driving tourism.
- Improve Ontario's public product offerings through increased collaboration. Key initiatives could include: collective admission strategies (e.g., multi-day pass to a number of public attractions, discounts for repeat visits); Ontario public attractions sales organization (central box office); leveraging assets and events (e.g., touring exhibits, themes across agencies); and creating ongoing opportunities for sharing best practices.
- Add to Ontario's public product offerings through public/private partnerships. Key initiatives include increased linkage with the private sector; increased bundling of private and public sector products; and, exploring private sector revitalization of public product (e.g., private sector management/ land lease).
- Enhance support of Ontario's public product including tourism and cultural attractions, historical and archeological sites, Provincial parks and trails. As funding becomes available, key initiatives should: ensure funding allows attractions to be competitive; target investments toward high potential public product; support agency/attraction product development activities; and provide more provincial marketing support to public facilities.
- Invest in the infrastructure of Ontario Provincial Parks and trails to help them better appeal to the changing needs of today's park visitors and trail users.

Result

- Ontario public attractions and agencies become anchors for further investments.
- Ontarians are proud of and more aware of our public product.
- Funding program/support focus on products with the best potential.
- Products are bundled to reflect travelers' interests.
- The focus is on customers' needs and our facilities are more accessible.

14. Revitalize Ontario Place

Ontario should revitalize Ontario Place as the flagship of a new era in Ontario tourism by opening it all year, developing a master plan that includes the surrounding area and investing in local infrastructure.

Context

At the moment, Ontario Place is a prime example of an attraction not meeting its potential. It's a symbolic attraction for this province and it needs attention.

"When we first began some years ago to consider the concept of a major new provincial development adjacent to the C.N.E. [Canadian National Exhibition], it became apparent that...there was a need in Ontario for something akin to a spiritual home, a touchstone of stability, a place where people could come, see and reflect upon the society that has been created in Ontario...In short, we wanted a place to re-affirm our identity as Ontarians and Canadians," *Premier John Robarts, Remarks at Ontario Place Countdown Reception, November 3, 1970.*

Over the years, a series of studies have been completed on Ontario Place Corporation. These studies explored ideas for the site that included a mixed-use district, a full merger with Exhibition Place, free admission to the grounds, as well as options to make Ontario Place a year-round destination. Other ideas have included moving the Ontario Science Centre to Ontario Place or developing the site as an urban entertainment centre.

With 96 acres of parkland including water lots and waterfront, it is clear much more could be done. Ultimately, Ontario Place could be a large public provincial square surrounded by entertainment, dining and shopping.

A new vision for Ontario Place could help it become a place that is accessible for all people and recapture its original mandate to highlight the best that Ontario has to offer. Now is the time to revitalize Ontario Place and have it become the flagship of a new era in Ontario tourism by the 150th anniversary of Confederation in 2017.

Next Steps

- Develop a new vision for Ontario Place that will showcase the province's distinctive personality.
- Create a long-term master plan for Ontario Place, with future consideration for the surrounding area to create a renewed cluster of tourism attractions on the Toronto western waterfront.
- Establish a provincially led body to oversee the development of the master plan, under the Ministry of Tourism.
- Offer free access to the public to the grounds. (Ticketed admissions to some entertainment areas should be maintained.)
- Open Ontario Place's doors year-round as a first step toward a new Ontario Place.
- Develop a series of pedestrian/cycling trails linking neighbouring sites and residential areas.
- Develop a transportation strategy that would allow easier access for visitors to reach Ontario Place from downtown Toronto.
- Aim to have a revitalized Ontario Place become the flagship of a new era in Ontario tourism by the 150th anniversary of Confederation in 2017.

"Ontario Place, and the area around it need to become part of the fabric of the city…Imagine tying together Fort York, Exhibition Place and Ontario Place in a permanent, global world's fair. Fort York, the birthplace of Toronto, could become a showplace of the history of human settlement around the globe; Exhibition Place could celebrate human achievement in technology and innovation. Finally, Ontario Place, on the waterfront of one of the Great Lakes, could become the world's first centre of freshwater bio-diversity…Just imagine the potential!"

Glen Murray
Canadian Urban Institute

Result

- Ontario Place would be, once again, a symbol of the province of Ontario and be a significant draw for visitors.
- The entire west lakeshore region would be easily accessible from Toronto.
- Ontario Place would fully deliver its legislated mandate to operate as a provincial exhibit and recreational centre and develop programs designed to enhance the image of the province.

15. Cultivate Festivals and Events

Ontario should strategically invest in major festivals and events with the highest potential for growth in terms of total tourist expenditures. This would help raise the profile of Ontario and capitalize on the province's strong product offering and natural assets, culture and the arts, key economic clusters and sports infrastructure.

"I think festivals are probably the most flexible tourism product we have. There's very little infrastructure required and they're in every region. They highlight culture, heritage and community pride, they're interactive and they provide wow! I mean the wow of the Lumberjack Festival in Kapuskasing... fill[s] all the hotels and campsites around Kapuskasing... [F]estivals have this benefit of being everywhere and being a draw."

Michel Gauthier, Rideau Canal Festival
Ottawa consultation, September 25, 2008

Context

Ontario's festivals and events are a major economic driver for communities across the province. The province is well positioned to attract major festivals and events, particularly in culture and the arts, business and sports sectors. We need to help attract and encourage those festivals and events much more strategically.

Successful jurisdictions take a strategic approach to targeting major events. They set priorities based on their natural strengths. They develop a long-term view and measure the results. To be successful in attracting major events, Ontario needs a targeted strategy and resources.

The government has recognized the economic potential and assisted in the development of new and existing festivals and events through the creation of Celebrate Ontario, the Convention Development Fund and the Ontario Cultural Attractions Fund.

The Study research revealed that, during a typical year, an estimated 5.1 million overnight tourists in Ontario attend festivals and sporting events, of which about 1.3 million (25 percent) are visitors from outside the province, bringing between $100 million and $400 million in new money to Ontario.

The G8 Summit scheduled for June, 2010 in Huntsville is an example of an opportunity for Ontario to showcase its festivals and events — and its overall appeal. An anticipated 5,000 international journalists and thousands of political and security aides will arrive here that summer.[20] Those guests should be invited to other events and festivals taking place at the same time such as, Toronto Pride Week, Toronto Jazz Festival, Stratford, Shaw and several waterfront festivals and Canada Day celebrations.

Next Steps

- Create a festivals and events strategy for the province of Ontario that builds on the government's successful Celebrate Ontario program, Convention Development Fund and Ontario Cultural Attractions Fund. It should include support for bids on major international-stature events; ongoing signature events; high-potential large festivals, conventions and events; and community-based events that drive economic development.
- Be more strategic and proactive in coordinating partnerships and identifying and bidding on major events.
- Develop separate programs to target different types of events. Community-based festivals and events should be funded under a separate program.
- Invest in major commemorative festivals and events with the highest potential for growth in terms of total tourist expenditures. One project could be confirming government provincial and federal government support for commemorations of the 200th anniversary of the War of 1812. Funding from the federal government should match what Quebec received for the 400th anniversary of Quebec City.
- Work with DMMOs and municipal stakeholders and other partners to build a common approach to event appraisal.
- Ensure that tourists can find the wide variety of festivals and events Ontario offers in one easy location online. (See Recommendation 20)
- Continue research to better understand the impact of festivals and events. Create targets based on research for industry and government.

Result

- Ontario is a leader in attracting and hosting world-renowned, major international and national festivals and events.
- Major festivals and events contribute significantly to total tourist receipts generated in Ontario.
- Government resources are targeted to events with the greatest economic potential and profile.
- Support goes to nurture the events that have the highest potential to become major events.
- Sustainable funding attracts and supports major festivals and events.
- The celebration of 200 years of peace (the anniversary of the War of 1812) will help increase tourism visits.
- Increased collaboration between all levels of government and stakeholders ensures a strategic approach to festivals and events.

Reach Out IV

Welcome consumers before they arrive, when they get here and during their visit in Ontario

Travelers have more destination and product choices than ever before. More people are looking for unique experiences (such as cultural tourism and eco-tourism). To compete, we need to make travel to Ontario more accessible and easier for tourists. We want to encourage them to return. It should be easy for people to get here, easy to find things that appeal to them and easy for them to find their way around.

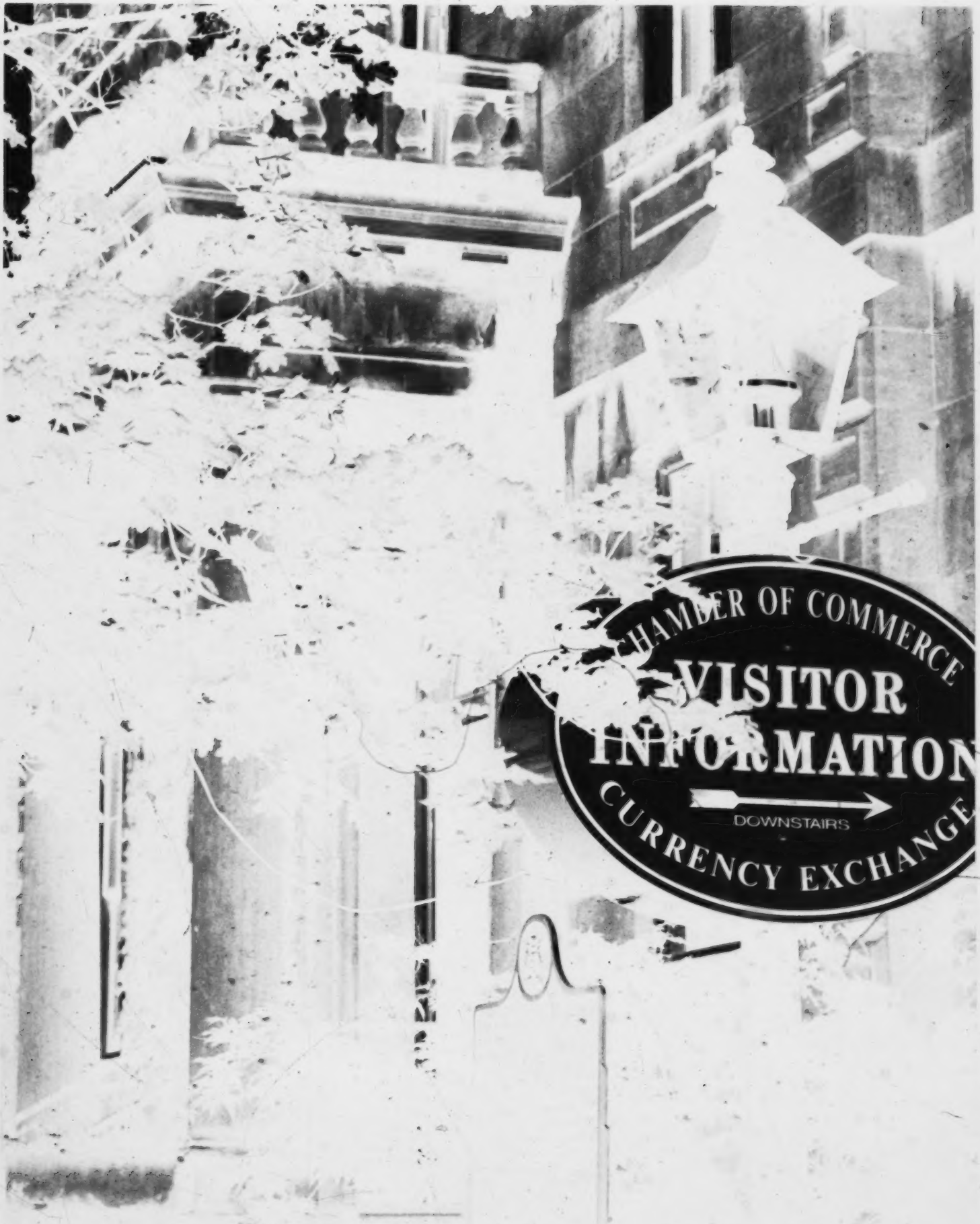
Even before consumers arrive, Study research indicates that marketing of Ontario's destinations and experiences is a key challenge. A lack of coordination has resulted in duplication of marketing efforts and an inconsistent Ontario brand and message. This report is proposing to reorganize Ontario's marketing function and renew its mandate to reflect the needs of industry.

Once tourists do arrive, we need to improve the welcome they receive and make them feel comfortable — whether they are staying in one place or exploring the province from region to region. Ontario Travel Information Centres need to be in the right places for tourists — and they all need to be able to provide online booking. The Centres should be in marketing hubs and be designed to help tourists stay longer.

Accessibility, ease and convenience are key factors in attracting visitors. We need to improve our ability to provide people with information on what to expect here. The industry must embrace the internet in order to reach customers. To help it do that, broadband access needs to be expanded.

Ontario continues its commitment to break down barriers for people with disabilities to make its programs, policies and services more accessible for all Ontarians. A tourism destination that is friendly and easy to navigate for persons with disabilities has a competitive advantage. For many, accessibility is a very important factor in choosing where to visit.

Ontario must be more strategic in understanding who wants to visit us and why. This would strengthen our appeal to best-prospect markets. We also need to focus on the unique offerings that makes Ontario a more attractive destination.



Niagara-on-the-Lake

16. Redesign Marketing Role

Recast Ontario's approach to tourism marketing so that one agency becomes the provincial marketing lead for promoting the provincial tourism brand in partnership with the new tourism regions.

"There is a need for better coordination of marketing efforts among government and industry marketing organizations. A single Ontario promotional theme through all the various tourism organizations...will achieve a healthier penetration when targeting markets."

Ontario Restaurant Hotel and Motel Association
Written submission

Context

To stay competitive in the tourism market, Ontario must become top-of-mind to the potential consumer through increased marketing efforts of a consistent brand.

While we recognize the need for a strong parent brand for Ontario, the truth is that the province is huge and diverse and people come here to do a wide variety of things across all our regions. We need to recognize that and identify and market those things that interest the consumer, in a way that meets his or her needs.

In leading jurisdictions, provincial and national tourism marketing organizations set the 'parent' marketing brand. The parent brand needs to be strong and consistently communicated to create recognition and knowledge in the consumer (potential visitor). Regions then tailor their marketing to highlight their unique identity. In Ontario, the model makes sense. Regional marketing should align with other provincial branding, but also reflect the uniqueness of local product offerings.

British Columbia and New South Wales, Australia have established clear two-tier marketing roles for the province/state and regions. Tourism BC does not play a direct role in regional marketing initiatives. Instead, it supports DMOs by providing funds and marketing tools that help to ensure a consistently branded message.

"[There]...is significant overlap in marketing roles: the provincial marketing agency promotes Ontario domestically and internationally, and regions and cities promote themselves to both markets. The provincial marketing agency, regions, and cities are not communicating and coordinating, and as a result, there is inconsistent branding of Ontario." *Ontario Tourism Industry Structure Assessment Research Study.*

Next Steps

- Create a new mandate for the Ontario Tourism Marketing Partnership Corporation (OTMPC).
- Re-brand OTMPC as Tourism Ontario and ensure that it has the capacity to deliver the highest quality marketing in support of the industry.
- Ensure that the board reflects the new direction of the tourism industry.
- Create a provincial brand to be used by regional DMMOs. (See Recommendation 2)
- Ensure that Tourism Ontario works in partnership with the regional DMMOs described in Recommendation 2.
- Ensure that Tourism Ontario's marketing strategies are aligned with product development, infrastructure and other government strategies and partnerships in support of tourism.
- Transform Ontario Travel Information Centres, in partnership with the regions, to better provide tourists with more consistent information and branding. (See Recommendation 19)
- Review funding so that it is sufficient to fulfil the new Tourism Ontario mandate.

"[N]o one wants to visit Ontario, they want to visit the specific destination...no one (as a consumer) is really concerned with the Province."

Richard Mathieu and Associates
Written submission

Result

- Ontario will have a consistent tourism brand for the province and DMMOs.
- Regions will showcase Ontario's unique product offerings while ensuring that tourists recognize the quality associated with the Ontario brand.
- Marketing will be more effective by using all available research tools in a strategic and coordinated way.
- Tourists will be able to browse, package and book their Ontario vacation where regional distinctiveness is clear and branding is consistent.
- Tourism Ontario and the regional DMMOs have a strong partnership.

"I think if we work together in partnerships...we have a much better chance at reaching our target audiences."

Joanne Gervais, Centre franco-ontarien de folklore
Sudbury consultation, September 19, 2008

17. Market Strategically

Ontario should market its destinations and experiences by focusing on our strongest existing international markets; prioritizing new and best-prospect markets such as Mexico, Brazil, India and China; strengthening our appeal to French-speaking markets, especially Quebec; expanding our reach to new Canadians and their families; and continuing to focus on the strong domestic Ontario market.

Context

For Ontario to be competitive, it needs to strategically pursue markets with the highest potential for growth while nurturing its current base. Although the global tourism market is growing, Ontario is competing with more destinations than ever before.

While the United Kingdom will likely remain Ontario's top overseas source of visitors through 2012, Mexico and China are expected to surpass Germany and France, in terms of total visitor spending. Our traditional U.S. markets will continue to be critical for Ontario. Quebec, according to Study research, holds the largest untapped pool of potential Canadian visitors to Ontario. Finally, Ontario's domestic market continues to be the anchor for the province's tourism industry.

Consumer research shows that the fastest growing segments of the tourism market include the older, upscale adventurer; the retired couple with disposable income; the young go-getter; and the two-income family looking for hassle-free getaways. These travelers represent a growing group for Ontario to target its high-quality and unique products and services.

Marketing strategically to the consumer segments in high-potential markets will help to increase the number of tourists who come here. Individual operators and regions should take advantage of the strategic marketing research that governments are able to provide.

Ontario has ample opportunity to marry these specific new markets and consumer segments. It is well suited to cater to the needs of many best-prospect niche tourism markets.

"In a weaker economy, travelers may be restricting their destination options geographically, allowing Ontario to tap into a relatively larger pool of potential visitors closer to home. Key markets include, Ontario, U.S. near-markets, select U.S. mid-markets and Quebec." *Ontario Tourism Market Assessment Research Study.*

Next Steps

Both government and industry should:

- focus investments on consumer segments in markets with the highest potential for growth in terms of total tourist expenditures
- target the United Kingdom as it is expected to continue to be Ontario's largest overseas international source of tourism revenue for at least the next five to 10 years
- target Mexico and China as both are expected to overtake some of Ontario's traditional international markets (see Recommendation 5)
- monitor growth in developing markets such as Brazil and India
- build interest in return visits from high-potential consumer segments in our traditional U.S. markets such as Michigan, Northern Ohio and Western New York by promoting Ontario's unique offerings including outdoor adventure and culture.
- target less-developed U.S. markets with high potential such as New York City and Chicago
- target the mature francophone market in Quebec
- continue to market to the domestic Ontario market as it is vital to the health of our industry
- work closely with regional DMMOs to target the markets that make the most sense for each region (see Recommendation 2)
- invest in more consumer research to be more responsive to consumer needs and expectations
- continue to focus on the market segments already identified that have the potential to grow – and those demographic segments that are interested in areas where Ontario has a unique advantage (see Recommendation 18).

"[Q]uebec is a big market. Quebecers ... haven't been coming to Ontario because we haven't been inviting them."

Nicole Guertin, Direction Ontario
Sudbury consultation, September 19, 2008

Result

- Total tourist receipts will grow over the next decade.
- Visits from both traditional and best-prospect markets will increase.

18. Focus on Our Unique Products

Ontario should focus on the unique product offerings of regions including natural experiences and our great water assets as well as niche tourism experiences such as sports, culture, culinary, eco- and agricultural tourism.

"Ontario's park system offers the balance between protection of nature and wildlife and recreation and tourism. They are the Rembrandts and Van Goghs of Ontario's landscape."

John Winters, Algonquin Provincial Park
Toronto consultation, October 1, 2008

Context

Global tourists are increasingly seeking unique and distinctive experiences that can be found in niche tourism products. Study research also noted that Ontario is well suited to meet those needs. Ontario's recent investments in cultural attractions such as the ROM, AGO and the Four Seasons Centre for the Performing Arts are already internationally recognized and drawing cultural tourists. There is untapped potential for Ontario in our natural experiences and our great water assets as well as our developing niche tourism products.

The Great Lakes — Erie, Huron, Michigan, Ontario and Superior hold about 20 percent of the world's surface fresh water. These vast inland freshwater seas, with their thousands of kilometres of coastline, are natural and unique tourist attractions. Our provincial parks are major draws too; they attract about 10 million visitors every year. Algonquin Park alone attracts 125,000 people annually from outside Canada.[21]

Ontario is uniquely positioned to offer engaging experiences that attract tourists to destinations across the province. In the future, the youth market (currently 20 percent of global tourism) will be looking for more environmentally sustainable activities as well as eco- and adventure tourism.[22] The older (boomer) market will look for more luxurious accommodation paired with exercise and adventure. Ontario also has an opportunity to leverage its multicultural and diverse cuisine, with food-tasting trails emerging in many areas of the province.

"Eco- and adventure tourism are growing more rapidly than other products... Active lifestyles represent a common trait for most segment profiles, which identified some form of recreation or sporting activities as important when traveling. Further development of soft adventure, sports and eco-tourism could be of high appeal to these groups". *Ontario Tourism Product Assessment Research Study.*

More effective linking and bundling of our unique tourism products could help Ontario reach its potential in certain niche markets. In New York City, for example, visitors can purchase Broadway vacation packages that are bundled with Broadway show tickets and other products such as accommodations, retail discounts and admission to attractions.

Next Steps

Regional DMMOs should:

- identify high-potential unique tourism product in each region and develop regional strategies to coordinate programming around centrepiece attractions
- package regional tourism experiences and services for tourists (e.g., sporting events, hotels, restaurants)
- prioritize niche product opportunities with the highest potential to attract tourists (e.g., culinary, sports, eco-tourism) for future development (See also Recommendation 2).

The provincial government, as the fiscal situation allows, should:

- encourage the development of unique high-potential product that either creates new experiences or takes advantage of existing assets. Some ideas could include: War of 1812 commemorations across destinations; the path of the Underground Railroad; a ferry from Toronto to Niagara; the UNESCO World Heritage Site designation of the Rideau Canal, including Fort Henry and the Kingston Fortification.
- develop niche products that align with new and best-prospect markets. (e.g., youth, eco-tourists, cultural tourists) Establish a fund to develop new niche product in partnership with industry and on a competitive basis.
- work with industry to provide tourists with great packaged offerings (with provincial parks and trails for example) and create incentives such as visitor cards that allow tourists to pay one price for several attractions.

"Ontario should develop and direct marketing campaigns at encouraging recent immigrant and ethnic communities to come north and experience Indigenous' culture and the historical natural heritage of James and Hudson Bay region."

Randy Kapashesit, Chief of the MoCreebec Council of the Cree Nation
Written Submission

Result

- Ontario will have a diverse and innovative range of products and experiences that appeal to a broader demographic group.
- The industry will be innovative and creative in its response to niche opportunities and product development.

19. Improve Way-Finding

Ontario needs better signage to help make the province more welcoming, safe and comfortable.

"[S]ignage is...a mess out there and we really need to look at that."

Tim West, Ontario Federation of Snowmobile Clubs
Hamilton consultation, October 2, 2008

Context

When tourists can find their way around easily, they feel more comfortable and more at home. It enhances the visitor experience. Places that are easy to explore send a message to tourists: we are thinking of you, we want to help you find your way and you are welcome here.

Participants at our public consultations were very clear about the challenges of way-finding in Ontario. Way-finding and directional signage is a common problem in many jurisdictions.

Way-finding is more than just signs — it is an overall design philosophy that helps a diverse population arrive at a destination with ease and comfort. There are jurisdictions that do it very well, including: New Jersey, the Finger Lakes region, London and Copenhagen. Technology is also advancing personal way-finding by allowing people to access information through Global Positioning Systems and mobile devices. Copenhagen, for example, allows tourists to send a text message and then receive links to information on everything from cafes, restaurants, cinemas, concerts, theatres, nightlife and shopping as well as to attractions and sightseeing.

Ontario has a province-wide signage program — the Tourism-Oriented Directional Signing (TODS)/Logo programs for provincial highways. However, there is no consistent approach to tourism signage at the local level. Ontario needs a province-wide program to help regions improve way-finding. It should be consistent with other provincial initiatives. Destination Marketing and Management Organizations have a role in supporting way-finding within and between regions. Ontario Travel Information Centres should be an important element of way-finding systems across the province.

"Way-finding reduces the frustrations of traveling in unfamiliar neighbourhoods" and "enhances pride in our sense of place by reminding us of the sites which give character to our surroundings." *Ontario Way-Finding Research Study.*

"There is a direct correlation between the effectiveness of a signage system and the satisfaction of individual tourists and groups traveling throughout the region. Only an effective signage system will guarantee that more visitors can enjoy the natural and cultural resources that our region offers."[73]

Next Steps

- Develop a long-term strategy for way-finding and signage in collaboration with other key ministries such as the Ministry of Transportation to more effectively integrate other provincial initiatives in support of way-finding (e.g., Ontario Travel Information Centres).
    - The strategy would encourage tourists to visit more destinations and attractions; provide consistent and reinforced messaging and branding via multiple channels; and include improvements that take into account making information more accessible for people with disabilities.
- Create a program to support DMMOs and their local municipalities (see Recommendation 2) to develop regional strategies for way-finding and signage. It should be consistent with other provincial initiatives (such as the TODS/Logo programs) and maximize the tourist experience. It should also coordinate spending within the region and leverage private sector and community investments.
- Establish an innovative and leading-edge partnership to deliver GPS-based way-finding.

"[W]ay-finding is so critical because — for a visitor who's coming or a business traveler who's here — they see something that may induce them to return in the future... it helps promote the entire region and brings our brand assets together under one umbrella, and it also is a great way to serve and create interest and distinction in the destination. So I'm a big champion of way-finding."

David Whitaker, Tourism Toronto
Toronto consultation, September 11, 2008

Result

- Visitors will easily find their way to a destination as well as feel welcome, safe and comfortable in unfamiliar surroundings.
- New visitors will be attracted to Ontario's tourist destinations.
- Visitors will be encouraged to do more while at their destination.
- Reduced barriers to travel in Ontario.

20. Increase E-Marketing and Online Booking

The industry should increase internet marketing and online booking capabilities. Through its marketing agency, the Ontario government should work with industry to make it easier for consumers to book accommodations and visit attractions.

"[I]f we don't get the web right, no matter what we do with everything else that is on the list of tourism issues, we will lose our competitive position. The web is at the heart of our industry on a go forward basis."

Dick Brown, Ottawa Gatineau Hotel Association
Ottawa consultation, September 25, 2008

Context

When people travel now, they research destinations and book online. Some 62 percent of Boomers and 63 percent of Gen Xers use technology for booking travel.[24]

Leading tourism jurisdictions allow buyers to purchase product online. A consumer looking to do the same for Ontario would find inconsistent levels of information and, in many cases, would be unable to purchase or book online.

Other jurisdictions also use the internet to market creatively. Tourism Pennsylvania, for example, posts stories written by tourists about various activities and destinations they have explored in the state. Tourism New Zealand posts videos on YouTube. On Google Earth, users can swoop over landscapes and move down to street level to explore destinations.

"Building on the experience of other leading tourism destinations…Ontario marketers could begin using interactive technologies to build one-to-one relationships with individual consumers who interact with its web-site. This could involve the collection of travel stories, videos, virtual tours, interactive trip planners, discussion boards, and contests." *Ontario Mix of Tourism Marketing and Promotion Research Study.*

Broadband was also identified both in Study research and consultations as a strong need for the sector and key funding priority. "High-speed internet is crucial to the economic well-being of many business owners, including tourism operators. Ontario could be missing out on the opportunity for additional bookings and branding opportunities by not having access to high-speed internet." *Ontario Tourism Infrastructure Research Study.*

Next Steps

- Develop a provincial online strategy to help consumers explore Ontario tourism opportunities and book them online.
- Create an online one-stop, real-time tourism site that allows tourists to explore, plan and book their Ontario vacations.
- Improve Ontario's Travel Information Centres to ensure greater e-booking and research ability to maximize both their marketing potential and their usefulness to tourists. (See also Recommendation 16)
- Work with the government's Broadband Initiative to complete broadband access expansion across Ontario.
- Develop a regional online strategy within the provincial one, which helps consumers explore the regions and book online. This strategy should be developed by the DMMOs. (See Recommendation 2)
- Link and bundle tourism offerings online and then market them by connecting consumers to package options based on consumers' preferences and expectations.
- Make better use of online interactive marketing. For example, use online video and photo sharing, blogs, social networking sites and consumer ratings.

"My website draws people from all over the world. It's very upscale, very user-friendly...the website needs to be done properly. You need to invest in it and it has to be the best that you can do."

Wayne Strong, Ye Olde Walkerville Bed & Breakfast
Windsor consultation, September 10, 2008

Result

- More tourists will come to Ontario — and know more about Ontario as a destination.
- Consumers will be able to browse easily, package and book their Ontario vacation through one site where regional distinctiveness is clear and branding is consistent.
- Marketing will be more effective by using all available research tools in a strategic and coordinated way.

"Google is the new travel agent."

Consumer Trends
Travel Weekly, July 28, 2008

Appendix I: Product Ideas

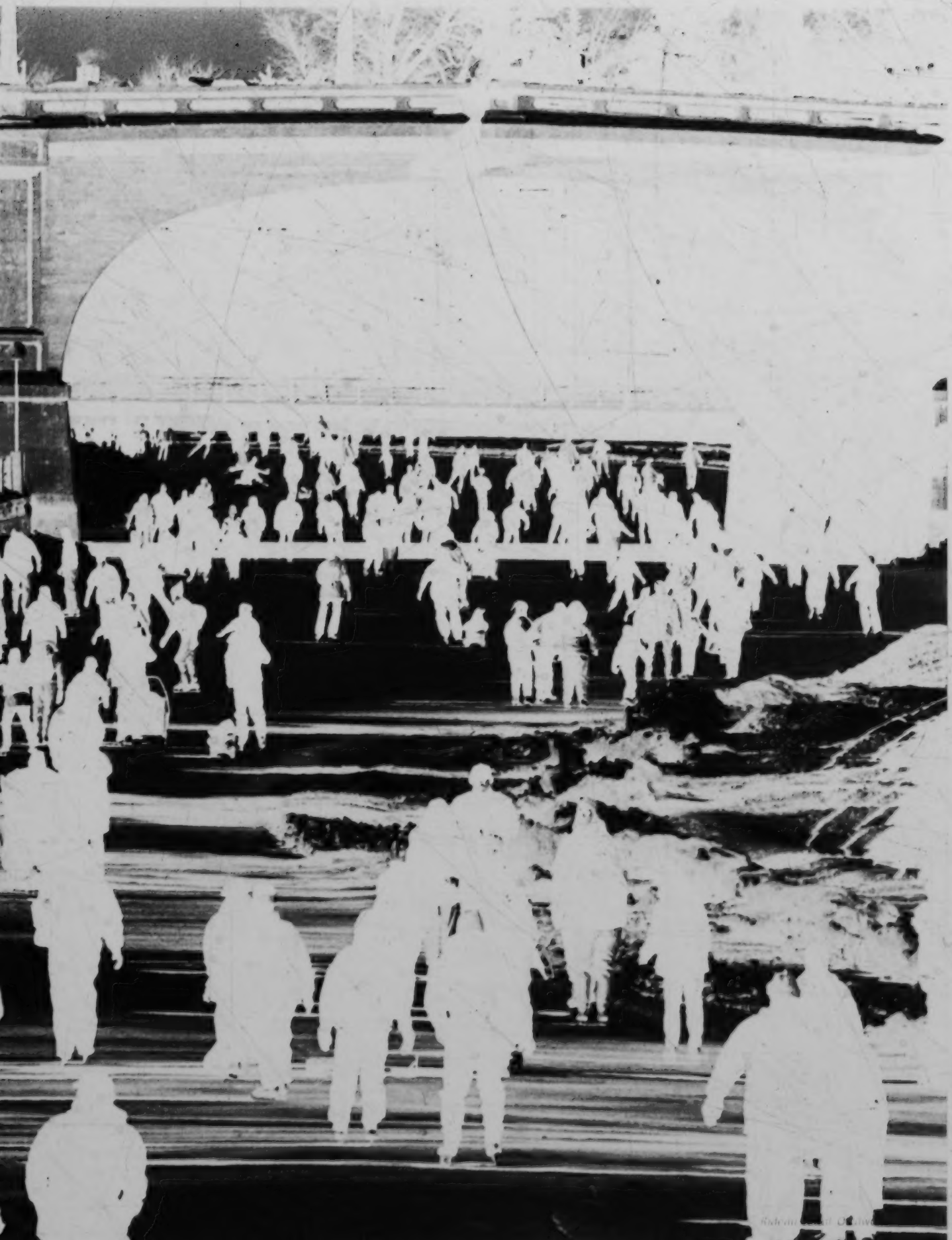
During the consultation process, we heard a number of innovative and creative ideas for tourism product for Ontario. Some of these are already underway, some are in a state of significant development and some are just in the realm of the imagination. We list just a few of them here.

Existing or under development:

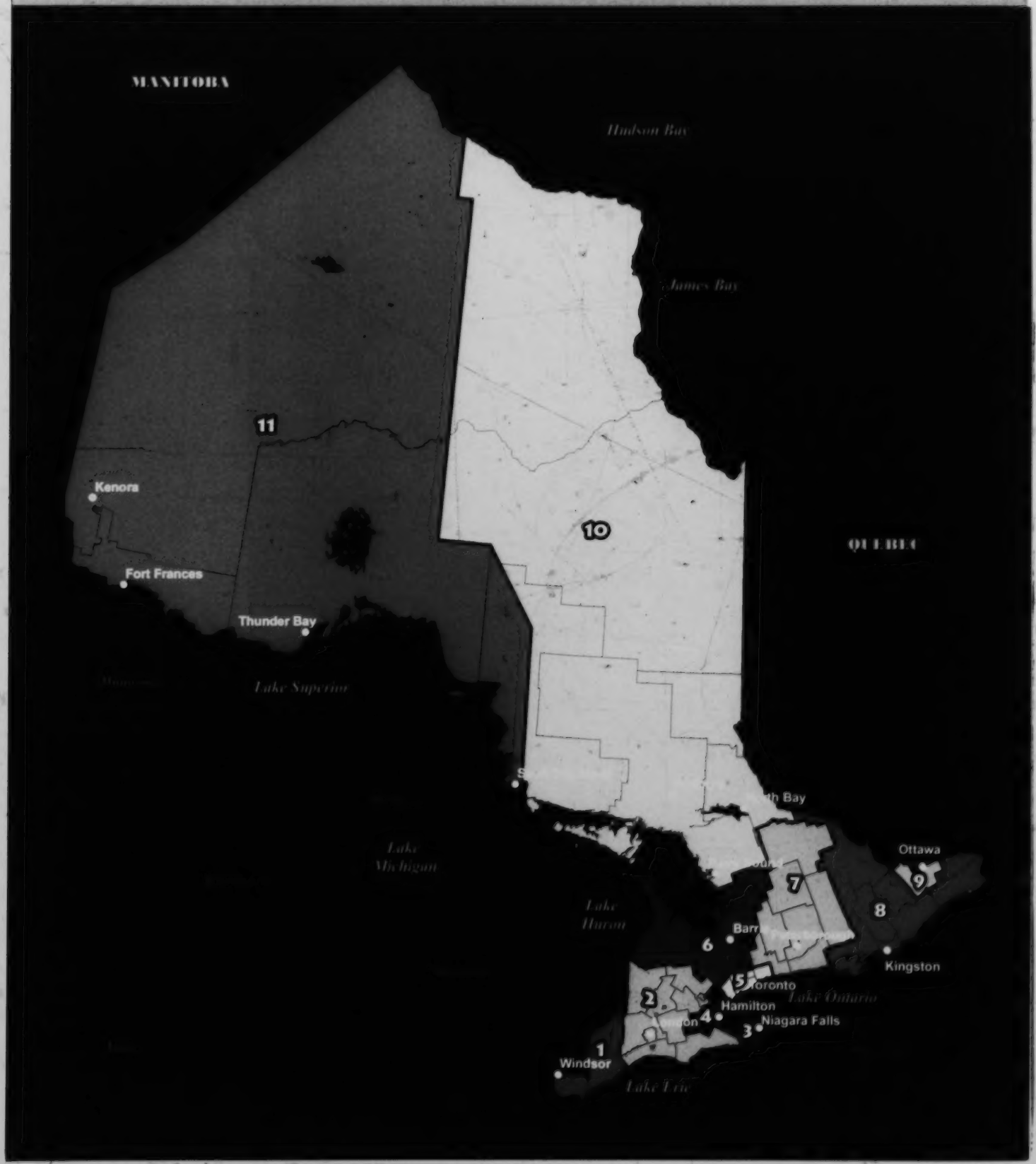
- Outdoor adventures in all seasons such as aerial parks (that involve walking across wobbly bridges, single monkey lines and zip-lines) or dog-sledding between winter destinations.
- A museum dedicated to chronicling the extraordinary story of Toronto celebrating the city as a gathering place and a global city. The Toronto Museum of The City would explore the city's social, cultural and economic history with a strong emphasis on the development of the city after World War II.
- Woodbine Live is a one-stop entertainment complex for eating, shopping, skating, dancing, etc.
- The Toronto Fringe Festival exposes audiences to a variety of new Canadian theatre each year and has the potential to be linked to Luminato and other festivals.
- Events and festivals that celebrate Ontario's aboriginal heritage, such as the Canadian Aboriginal Festival in Toronto and the Haweater Festival on Manitoulin Island.
- Expanded water-based tours, particularly on the Trent-Severn Waterway's historic locks and canals and on the UNESCO World Heritage Site designation (Rideau Canal).
- Agawa Canyon rail trips celebrate Ontario's natural beauty on transport that is itself a tourist attraction. Visitors experience the landscape that inspired the Group of Seven to create some of Canada's most notable art.
- Project Niagara could involve the creation of a major international centre of music excellence and a cultural event in the Niagara region comparable to the Salzburg Music Festival in Austria, the Tanglewood Festival in the United States or the Wagner Opera Festival in Germany.
- Sitejogging is new tourism trend that involves visitors jogging around various cities instead of walking or taking the bus. The trend is becoming popular in New York, Jerusalem, Rome, Berlin, and Barcelona.

New ideas:

- An indoor water park that will provide Ontarians with the opportunity to spend a day at the beach in cold winter months.
- An enclosed hill for year-round downhill skiing and snowboarding.
- A National Capital wild game conservatory or cultural recreation centre. It would be a zoological and botanical destination attraction in the shape of Canada, built-to-scale, complete with rivers, lakes, elevation, native floral and fauna.
- Hearn Generating Station: In Toronto's east end, it has the potential to be a major cultural attraction like the Tate Modern in London. Given its size, it could also be a four-season sports and arts centre.
- An innovative, horticultural experience created by landscape designers.



Appendix II: Proposed Regions



Appendix II: Proposed Regions

Regions – Possible Names

Region 1:
- Windsor St. Clair Region

Region 2:
- Great Lakes Festival Region

Region 3:
- Niagara Region

Region 4:
- Hamilton Escarpment Region

Region 5:
- Toronto Region

Region 6:
- Muskoka-Georgian Bay Region

Region 7:
- Algonquin-Kawarthas Region

Region 8:
- St. Lawrence-Rideau Region

Region 9:
- The Capital Region

Region 10:
- Northern Bays Region

Region 11:
- Superior North Region

Map produced by: GIS Unit, Information Management and Planning Branch, Community Services I&IT Cluster.

Information provided by the Ministry of Municipal Affairs and Housing, under licence with the Ministry of Natural Resources.

Appendix III: Research Summary

The Ontario Tourism Competitiveness Study commissioned a number of external studies to better understand the broader issues that have an impact on tourism and to help inform the recommendations of this report. Each study examined a particular issue — from global trends to the impact of our current festivals on the economy. These studies have helped inform the recommendations in this report and will be a valuable resource to the government, industry and researchers. Copies of each of the research reports are available online at www.tourismstudy.ca.

Global Tourism Opportunities Research Study, *Deloitte & Touche LLP, 2009*

The tourism industry is experiencing global change as competition for tourist dollars intensifies. Deloitte & Touche was asked to identify the global trends and drivers of tourism; assess global niche product trends and their relevance to Ontario and identify key tourism measures for the private and public sectors.

The research took a comprehensive review of key jurisdictions to identify best practices. It included a review of Brazil, China, Croatia, the Czech Republic, Egypt, India, Mexico, Russia, South Korea and the United Arab Emirates to understand Ontario's current competitive position in relation to jurisdictions that have also tried to increase tourism revenues. Primary research was undertaken with key stakeholders and experts, and significant secondary research was completed on all key elements.

High level results indicated that:

- The global tourism market is growing and Ontario's future marketing considerations should include new markets such as Mexico, Brazil, China and India.
- Much of Ontario's product is considered dated and uncompetitive, and new product development and investment are strongly needed to compete effectively.
- Ontario has strong potential to promote, develop and leverage the province's natural environment and other niche products (e.g., festivals and events).
- Ontario should consider goal-setting measures that would be embraced by industry and government.

Ontario Major Festivals and Events Attraction Research Study, *PKF Consulting (with Research Resolutions), 2009*

Ontario's festivals and events are a major economic driver for communities across the province. One of the province's goals should be to grow this potential to make the province a more attractive tourist destination both domestically and internationally. This review and analysis focused on how to develop and enhance festivals and events in Ontario and to strengthen our profile.

Complete research papers are available at
www.tourismstudy.ca

Kakabeka Falls, Thunder Bay

The research included a literature review and analysis of best practices; a look at jurisdictions that are successful at attracting, bidding on and hosting major international festivals and events; an analysis of Ontario's current festival and event industry; and the identification of high-potential opportunities for Ontario. The research indicated that:

- Successful jurisdictions target major festivals and events based on strategies that build on existing strengths and natural assets.
- Festivals and events should link to Ontario's overall strategic tourism priorities.
- Ontario needs to prioritize government supports and resources on the events and festivals with the greatest impact.
- Ontario should have a long-term strategy to support festivals and events.

Ontario Tourism Investment Attraction Research Study, *HLT Advisory (with the Tourism Company), 2009*

Attracting private sector investment into the tourism industry is a challenge in many jurisdictions but it is a key element in any strategy to build tourism product. We asked HLT Advisory to help us better understand private sector tourism investment strategies and processes. The research results will help Ontario to more aggressively pursue tourism investment and to stay in tune with changing marketing and tourist needs.

The research included a comprehensive review of current tourism and broader economic development activities/trends; international and North American best practice case studies. It identified the investment decision-making process in Ontario and conducted numerous stakeholder/expert interviews including an investor roundtable. It also compiled significant secondary research and identified barriers to investment and potential mitigating strategies. The high level results indicated that:

- Tourism investment attraction needs to be part of the government's overall economic development strategy.
- Ontario needs to develop a whole-of-government approach to tourism investment.
- Ontario should focus on high probability investment destinations.
- We need to develop targets for each destination and focus on these targets.
- Ontario should identify provincially owned assets within destinations that could be catalysts for future development.
- The government should develop an investment facilitation function with focused financial incentive tools.

Ontario Tourism Infrastructure Research Study, *Malone Given Parsons Ltd. (with HDR), 2009*

The Tourism Study asked MGP and HDR to make recommendations about what kinds of government infrastructure investments would be best for the tourism industry. They reviewed best practices; conducted stakeholder/expert interviews; reviewed tourism trends and travel flows; identified infrastructure gaps; examined capital funding programs; and analyzed Ontario's travel information service infrastructure. Results of the research indicated that:

- Public investment in tourism infrastructure should be part of a larger Ontario infrastructure strategy.
- Ministry of Tourism infrastructure development priorities should be included in all infrastructure funding decisions of government.
- There should be high-level tourism development strategies for key gateways/centres and their outlying areas.
- Detailed sub-regional destination development strategies are critical.
- Funding priorities should be defined for key infrastructure.
- Regional strategies should focus on destination complexes or clusters, addressing linkages between products as well as access.

Ontario Tourism Product Assessment Research Study, *Deloitte & Touche LLP, 2009*

Because tourism product is a foundation of the industry, the Study commissioned research to examine which Ontario tourism products are most effective at meeting customer expectations. Deloitte & Touche was also asked to look at which product types have the greatest potential to attract people and encourage spin off economic activity.

Travel regions' product offerings across eight identified product categories were evaluated based on the definition of high potential private product. Based on best practices from other tourism destinations and stakeholder/expert interviews, four key product development strategies were suggested to help improve tourism product development in Ontario:

- Develop a provincial high-potential product development strategy that sets clear priorities and goals for public and private product stakeholders.
- Create a more hospitable investment/funding environment.
- Develop a strategy to group complementary (cluster) tourism operations together to create packages for visitors.
- Ensure that product development responsibility is embraced by regions and supported by the provincial government.

The research also underlined the importance of enhancing collaboration, working with the private sector, and improving support for high potential, publicly owned tourism product.

Ontario Way-Finding Research Study, *Oliver Wyman (Delta Organization & Leadership), 2009*

Way-finding is more than just signs. Some jurisdictions recognize that by improving how people find their way around, visitors' experiences are more memorable. We asked Oliver Wyman (Delta Organization and Leadership) to examine and make recommendations on options to improve local tourist oriented way-finding. They conducted a literature review, interviews and best practices analysis of both jurisdictions and organizations in: New Jersey, London, Indiana, Croatia, Denmark, Valencia, Dublin, Germany, Texas, Los Angeles, Paris, Genesee/Finger Lakes, Pocono Mountains, Massachusetts, Atlanta, Virginia, Wisconsin, Philadelphia, Florida and Toronto.

The research indicated that:

- We need to ensure that an effective visitor way-finding system is in place in Ontario — one that provides consistent information via multiple channels.
- Way-finding should use best practice design guidelines to guide new way-finding programs.
- Way-finding should be coordinated at local, regional and provincial levels.
- A way-finding program should leverage private sector and community investment and technology and be consistent with the TODS/Logo programs.

Ontario Tourism Industry Structure Assessment Research Study, *Deloitte & Touche LLP, 2009*

The structure and effectiveness of Ontario's tourism industry and its organizations are crucial to the industry's success. Deloitte & Touche was asked to identify best practice models for industry organization and mobilization, and develop a strategic framework for marketing in Ontario.

They undertook a high-level assessment of Ontario's existing tourism industry structure; reviewed industry structures from other jurisdictions as well as other relevant non-tourism industry structures; identified key themes related to best practice industry structures; and provided alternative industry structure models to address Ontario's current and future challenges.

The research indicated that cooperation and coordination among industry stakeholders, both private and public, is important; there should be a focus on developing strategies and programs related to tourism labour and management skill development; clearly delineated and effective roles for marketing should be developed for provincial, regional and local agencies; and there should be sustainable streams of funding for regional marketing activities.

Ontario Tourism Market Assessment Research Study, *TNS Canadian Facts, 2009*

We asked TNS to identify the high potential markets for Ontario tourism. TNS looked at domestic markets, adjacent and farther away, such as U.S. markets; Tier Three and Four potential markets; and high potential international growth markets. They reviewed available data for expenditure projections for various potential markets and identified consumer segments within those markets.

The research indicated that:

- The global tourism market is growing and is characterized by newly popular destinations, intensified competition and growing disposable incomes worldwide.
- For Ontario to be competitive, it needs to strategically pursue markets with the highest potential for growth over the next 10 years while nurturing its current base of source markets.
- The United States will continue to be Ontario's most important international market.
- The United Kingdom will continue to be a significant international source of tourism revenue for at least the next five to 10 years.
- Markets such as Mexico, China and India are best prospect markets.
- Ontario should also explore Brazil and South Korea for future growth.
- Ontario's domestic market will continue to be the anchor for the province.

Ontario Mix of Tourism Marketing and Promotion Research Study, *TNS Canadian Facts, 2009*

One of the current challenges faced by Ontario's tourism marketers is how to fully embrace non-traditional and best-prospect marketing approaches. Other successful destination marketers have tended to focus on the entire consumer experience (from home and back) rather than just the destination's tourism offering.

We asked TNS to identify the best mix of marketing tools to promote Ontario successfully. They conducted a literature review; an analysis of best practices; an analysis of Ontario's current mix of marketing/promotion; and stakeholder/expert interviews.

Several organizations both inside and outside the tourism industry were examined to determine the factors in marketing success for potential application to Ontario.

Key findings stated that:

- "Best-in-class" marketing practices should be used to promote Ontario's tourism product to our "best bet" source markets. Best-in-class marketing includes non-traditional approaches such as experiential online advertising, individualized, interactive communications; social and media "buzz" tools; and word of mouth. These marketing tools are evolving quite rapidly in the marketplace.
- Preconditions for effective marketing include adequate marketing budgets; strong cooperation between the provincial marketing organization and the destination marketing organizations, the Canadian Tourism Commission and other stakeholders; Ontario's tourism products must deliver on their marketing promise; and Ontario should have a sustainable tourism vision.

Ontario Reducing Barriers to Tourism Business Research Study, *Pareto Consulting Inc. (with HLT Advisory), 2009*

In consultations with industry members, many operators expressed concerns about the impact that government legislation, regulation and enforcement activities have on their businesses. To better understand this area of concern, the Study asked Pareto and HLT to help identify the regulatory burden of the tourism industry, with the objective of reducing the key barriers that impact the tourism industry's economic activity.

They conducted eight roundtables in: Collingwood, Toronto, North Bay, Muskoka, St. Catharines, Kingston, London and Sault Ste. Marie. As the roundtables progressed, and participants identified more areas of concern, discussions focused on more specific barriers.

The results were grouped into themes. Specifically, the key topics were barriers related to labour, way-finding, marketing and liquor regulations. Participants also raised issues about the consistency of the application of regulations, flexibility, and land use and access. The barriers identified were not exclusively or uniquely tourism sector based. The analysis also included possible solutions to the barriers based on suggestions from roundtable participants.

Ontario Product Distribution Research Study, *Oliver Wyman (Delta Organization & Leadership), 2009*

Market shifts have triggered profound changes in how tourism product is distributed today and will be in the future. Factors such as the use of technology and the Internet, the availability of multiple sources of information to make bookings and price sensitivity are all affecting the industry.

We asked Oliver Wyman (Delta Organization & Leadership) to review the ways Ontario's tourism product is distributed to various markets and examine how other successful tourist destinations are distributing vacation experiences to visitors. We also asked them to propose approaches for how industry and government could improve and build distribution channels and to develop a framework for how government and industry can work better together to package tourism product.

They reviewed and identified Ontario's current tourism distribution channels (direct sell, electronic, travel trade). They also identified key trends, gaps and potential product linkages, and identified competing jurisdictions considered the best in class. The research indicated that:

- It is critical that we have competitive and comprehensive transportation to and through the regions.
- Product distribution should be customer-focused and user-friendly.
- The development and quality of the tourism industry and products are critical.
- It is important to have a well-trained, client-centred and service-oriented workforce.
- Marketing should be strategic, focused and coordinated.
- Funding is needed for accurate, timely research and analysis of the tourism market and trends.

Ontario Cultural and Heritage Tourism Product Research Study, *Lord Cultural Resources, 2009*

We asked Lord Cultural Resources to provide guidance on how to develop and position Ontario as a significant cultural tourism destination on the world stage. They analyzed successful cultural tourism attractions and best practices worldwide.

A key outcome of this paper is a strategic framework to cultivate and enhance the cultural and heritage tourism product in Ontario. The framework will assist the province and sector(s) in identifying areas for focus and development in order to strengthen the quality and economic viability of cultural tourism experiences.

Role of Government in Tourism Research Study, *Deloitte & Touche LLP, 2009*

We need to have a better understanding of the role of government in tourism — which includes increasing tourism's profile as an economic driver and an important component of economic development. Deloitte & Touche reviewed and identified "best-in-class" jurisdictions and the role of government in those jurisdictions.

The key areas of analysis included developing capacity, integration and results in the following areas:

- working collectively and seamlessly to position tourism economic development priorities, issues and results within a government's overall agenda
- effectively interacting with other ministries, agencies and other levels of government to drive and focus tourism economic development and activities
- undertaking strategic planning and research that is valued within government and by industry
- building strong networks, partnerships and collaboration with industry on investment, infrastructure, product development, marketing, etc. that results in value-added economic activity and jobs.

Key findings indicate that the majority of successful tourism jurisdictions reviewed, including British Columbia, Ireland and New Zealand, have established visions that they are working toward, have developed an overall tourism strategy by specific tourism department/ministry and have a commitment from the broader government. Tourism has received top level commitment and support to ensure tourism concerns/issues are considered across government. Further, the governments interact with an association of tourism associations, which functions as a single point of contact for the industry.

Appendix IV: Consultation Summary

In the early summer of 2008 (June), the Ontario Tourism Competitiveness Study released a discussion paper to launch the province-wide conversation about tourism.

"Mapping Ontario's Tourism Future: A starting Point for Discussion" has been available online since June 2008 at www.tourismstudy.ca

A total of 189 written submissions were received in response to the paper.

Thirteen formal consultation sessions were held in 12 cities across the province in the fall of 2008. Over 500 people attended the sessions.

Location	Date	Attendees
Windsor	September 10	41
Toronto 1	September 11	41
London	September 15	25
Orillia	September 17	46
Sudbury	September 19	40
Niagara Falls	September 22	52
Kingston	September 24	50
Ottawa	September 25	22
Kenora	September 30	36
Toronto 2	October 1	52
Hamilton	October 2	29
Thunder Bay	October 24	37
North Bay	October 27	30

The Tourism Study also consulted and collaborated with colleagues in 18 other Government of Ontario ministries including:

- Transportation; Northern Development and Mines; Natural Resources; Agriculture, Food & Rural Affairs; Health Promotion; Energy & Infrastructure; Education; Training, Colleges & Universities; Small Business & Consumer Services; Municipal Affairs & Housing; Economic Development; International Trade and Investment; Culture; Citizenship & Immigration; Labour; Cabinet Office/ Intergovernmental Affairs; Finance; Government Services.

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